

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 21 August, 1986.

Time — 2:00 p.m.

**OPENING PRAYER** by Madam Speaker.

### PRESENTING PETITIONS

**MADAM SPEAKER, Hon. M. Phillips:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Thank you, Madam Speaker.

On behalf of the Member for Sturgeon Creek, I beg to present the petition of Lt. Col. Lockie R. Fulton; Col. G. William Manson; Brig. Gen. George G. Aldous; Lt. Col. David Campbell; Lt. Col. Norman R. Donogh; Lt. Col. George I. James; Lt. Col. H. G. Johnstone; David McPhetridge, Col.; the Honourable Gildas L. Molgat; Capt. The Rev. Thomas Saunders; Col. Douglas B. Scott; Lt. Col. Robert G. Smellie; Lt. Col. William R. Spence; Lt. Col. Burton F. Waters; Lt. Col. Ronald E. Werry; praying for the passing of an act to incorporate the Royal Winnipeg Rifle's Foundation.

**MADAM SPEAKER:** Reading and Receiving Petitions

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**MADAM SPEAKER:** The Honourable Member for Burrows.

**MR. C. SANTOS:** Madam 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 Member for Inkster, that the Report of the Committee be received.

**MOTION presented and carried.**

**MADAM SPEAKER:** The Honourable Member for Burrows.

**MR. C. SANTOS:** Madam Speaker, I beg to present the seventh report of the Committee on Economic Development.

**MR. CLERK, W. Remnant:** Your committee met on Tuesday, August 19, 1986 at 10:00 a.m. in Room 254 of the Legislative Building.

Your Committee has considered:

Bill (No. 38) - An Act to amend The Securities Act; Loi modifiant la Loi sur les valeurs mobilières;

Bill (No. 40) - An Act to amend The Corporations Act; Loi modifiant la Loi sur les corporations,

And has agreed to report the same with certain amendments.

Your Committee has also considered:

Bill (No. 5) - An Act to amend The Trade Practices Inquiry Act; Loi modifiant la Loi sur les enquêtes relatives aux pratiques de commerce;

Bill (No. 39) - An Act to amend The Manitoba Energy Authority Act; Loi modifiant la Loi sur la Régie de l'énergie du Manitoba,

And has agreed to report the same without amendment.

All of which is respectfully submitted.

**MADAM SPEAKER:** The Honourable Member for Burrows.

**MR. C. SANTOS:** I move, seconded by the Member for Inkster, that the report of the Committee be received.

**MOTION presented and carried.**

**MADAM SPEAKER:** The Honourable Member for Ellice.

**MR. H. SMITH:** Madam Speaker, I beg to present the first report of the Committee on Industrial Relations.

**MR. CLERK:** Your Committee met on Tuesday, August 19, 1986, at 10:00 a.m. in Room 255 of the Legislative Building and elected Mr. Smith (Ellice) as Chairman. Your Committee heard representations with respect to the following:

On (Bill No. 32) - An Act to amend The Pension Benefits Act; Loi modifiant la Loi sur les prestations de pension.

Mr. John Corp, Private Citizen

Mr. Jim Giesinger, William M. Mercer Ltd.

Written Submission:

Towers, Perrin, Foster and Crosby

On Bill (No. 43) - An Act to amend The Teachers' Society Act; Loi modifiant la Loi sur l'Association des enseignants du Manitoba.

Mr. Cordell Barker, Manitoba Teachers' Society

Your Committee has considered:

Bill (No. 41) - An Act to amend The Private Trade-Schools Act; Loi modifiant la Loi sur les écoles de métiers privées;

Bill (No. 43) - An Act to amend The Teachers' Society Act; Loi modifiant la Loi sur l'Association des enseignants du Manitoba;

Bill (No. 45) - An Act to amend The Civil Service Superannuation Act; Loi modifiant la Loi sur la pension de la fonction publique.

And has agreed to report the same with certain amendments.

Your Committee has also considered:

Bill (No. 29) - An Act to amend The Workers Compensation Act; Loi modifiant la Loi sur les accidents du travail;

Bill (No. 32) - An Act to amend The Pension Benefits Act; Loi modifiant la Loi sur les prestations de pension.

And has agreed to report the same without amendment.

All of which is respectfully submitted.

**MADAM SPEAKER:** The Honourable Member for Ellice.

**MR. H. SMITH:** I move, seconded by the Honourable Member for Kildonan, that the report of the committee be received.

**MOTION presented and carried.**

### **MINISTERIAL STATEMENTS AND TABLING OF REPORTS**

**MADAM SPEAKER:** The Honourable Minister of Finance.

**HON. E. KOSTYRA:** Thank you, Madam Speaker. I'd like to table the Quarterly Financial Report for the three-month period ending June 1986.

**MADAM SPEAKER:** Notice of Motion . . . Introduction of Bills . . .

### **ORAL QUESTIONS**

#### **MTS - allegations and investigation of MTX and subsidiaries**

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker. My question is for either the Minister responsible for the Telephone System or the Government House Leader. I wonder if they can indicate whether or not a new meeting of the Committee on Public Utilities and Natural Resources has been scheduled for next week.

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** I haven't had an opportunity to consult with the Opposition House Leader yet, but I believe by leave we'd be prepared to have the committee sit this evening if that was agreeable to the members of the opposition.

**MR. G. FILMON:** Madam Speaker, we are quite prepared to grant leave subject to the approval of the Member for River Heights. What time, Madam Speaker, may I ask will the committee sit?

**HON. J. COWAN:** I would suggest again in trying to work things out in a cooperative fashion with the Opposition that 8:00 o'clock would be an appropriate time, and we would have it in the Committee Room running concurrently with the Estimates in the Committee Room that's not being used.

**MR. G. FILMON:** Madam Speaker, I wonder if, since the Government House Leader is in a cooperative mood whether he'd be prepared to - his side would be prepared to grant leave to have witnesses subpoenaed to appear under oath at the committee.

**HON. J. COWAN:** Today the members opposite have shown what I believe to be a vast misunderstanding of what happens in committee and the requirement for witnesses attending the committee to tell the truth. They have to tell the truth, they have to give full information by the legislation which provides guidance to us, by all the parliamentary practices that have been going on for generations, centuries. They have a responsibility to attend and a responsibility to provide full information without having to resort to oath taking, and that has been done on very few occasions in the history of either the House of Commons or any of the provincial Legislatures. It's been done on very few occasions because it is not normally required. It is not normally required because there are very strict rules and legislation applying to the giving of information. If witnesses before a committee perjure themselves or don't tell the truth, there can be action taken against them by this House which is final and conclusive or there can be action taken against them under the different aspects of the legislation that applies to perjury and to oath taking.

I have a very strong concern, though, given the comments of the Leader of the Opposition yesterday on the media, which I believe shows not only a misunderstanding but a total ignorance of why it is we afford protection to witnesses who come before the committee to tell us the truth and to give factual information.

In an interview with CKND last night, the Leader of the Opposition, and I expect he was speaking on behalf of the Member for Pembina and the Conservative caucus, said very distinctly that the testimony, and I quote: "The testimony that we did under oath can then be used as evidence in criminal action, so the whole thing is very complementary, can work, and has worked in the past." End of quote.

Well, he is wrong. He is wrong that that testimony can be used in criminal action. Anyone appearing before a committee of this House, or before the bar of this House, has the protection and the privileges afforded to them in respect of freedom of speech that each of us has. They have to have that protection afforded to them so that testimony cannot be used in other proceedings unless they perjure themselves so that they can provide free and full information to the committees.

For him to suggest that by the taking of the oath we are going to strip individuals of that protection and that privilege of freedom of speech that is afforded to them under the provisions of not only the legislation, The Manitoba Evidence Act, The Canada Evidence Act and Section 13 of The Charter of Rights, but also every parliamentarian of any note - Beauchesne, Maingot, Bourinot, whomever, Erskine May - I think a reflection on their desire not to get at the truth, their desire not to have witnesses testify under oath, so much as their desire is to grandstand and turn that committee into a circus.

We will not allow that to happen on this side. We believe that protection has been given to them for a good purpose and we will seek to ensure that protection is continued to be afforded to them notwithstanding what they may want to do in respect to stripping individual Manitobans of the privilege and protection they are now afforded.

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, I find it incredible that the Minister who, at one point, along with his Premier, was suggesting it was very, very important that the criminal allegations be proceeded with as fully and as completely as possible, and that when I suggested that a full public inquiry with powers of subpoena could get at the information and the evidence that would be called would be able to be used by the criminal allegation, he's now suggesting we don't want to get at the truth in some way and he's trying to turn that matter on to us.

But, Madam Speaker, we're not interesting in playing political games as this Minister is.

**MADAM SPEAKER:** Question?

**A MEMBER:** What would you have known about MTX without us asking the questions? What would you have known?

**MADAM SPEAKER:** Order, order please.

**MR. G. FILMON:** Madam Speaker, despite my disappointment that this Minister and this Premier and this government will not allow for witnesses to be subpoenaed to the committee, I ask some further questions then to the Premier with respect to this whole matter.

I want to know: When was the Premier first informed that we have \$17 million at risk as a result of the uncertain state of our Saudi Arabian business dealings at the moment?

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** Just so there be no misunderstanding, the Leader of the Opposition seems to forget, for whatever reason, that his comments respecting the taking of oaths so that the proceedings can be used in criminal action, was in direct relationship to subpoenaing witnesses to this committee . . .

**MADAM SPEAKER:** Order please, order please. I assumed when I recognized the Honourable Government House Leader, that he was going to answer the question posed by the Honourable Leader of the Opposition.

If that is not the case, the question was addressed to the First Minister, who may choose or not choose to answer it.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Is the Premier not prepared to answer the question?

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Madam Speaker, certainly I have known for the last several weeks that the amount of exposure is \$16 million to \$17 million. That assumes, of course, none of that can be recouped; and I believe there were submissions and testimony in committee this morning in respect to that.

**MR. G. FILMON:** Madam Speaker, there was information provided to the committee this morning to

that effect. I wonder if the Premier can indicate how he squares the fact that MTX is seemingly unable to recover the money owed to it, almost principally by Sheik Al Bassam's companies, some \$16 million to \$17 million, when the sheik is described as still wealthy and I quote, "wealthy" to be described as that today, how is it that we aren't able then to recover that money?

**HON. H. PAWLEY:** Madam Speaker, I don't whether the Leader of the Opposition is referring to some testimony this morning in committee or whether it's press reports or just exactly what the Leader of the Opposition is referring to in his question.

But irregardless of the source of his preamble, that is a matter that will be reviewed and commented upon by the management audit review, as to the extent of risk, the capability of return to the Province of Manitoba, what steps ought to be undertaken in order to ensure a return.

The limiting of liability, the extent, that is a matter that I have full confidence in Coopers and Lybrand giving us a full and complete report on than waiting or listening to recommendations from the Opposition. I have much more confidence in Coopers and Lybrand and their report in respect to that matter.

**MR. G. FILMON:** Madam Speaker, when did the Premier and his Minister responsible change from viewing this corporation, MTX, and its operations overseas, as having strong potential to make millions of dollars on behalf of taxpayers to the current characterization of which the Minister responsible has said it is a "a high risk foreign investment" and where he has said in a recent news release that they have doubts about the viability of the company. When did that opinion change?

**HON. H. PAWLEY:** Madam Speaker, insofar as the Saudi Arabian situation, we're fully aware that the downturn which not only Saudi Arabia is confronted with but Alberta and other oil-producing jurisdictions, the impact that has in respect to their economies. Certainly the concerns that have been raised that all members have contributed in that we now have a management audit firm bringing forth their recommendations within a 60-day period, and the appointment of an acting C.O. in the person of Mr. Charlie Curtis, who we have every confidence insofar as bringing in full and complete recommendations, rather than jumping to conclusions to ensure that we have the fullest recommendation, the fullest report.

**MR. G. FILMON:** Madam Speaker, in view of the fact that earlier this Session, both this Premier and this Minister responsible expressed strong confidence in the future prospects of this company and are today telling us that indeed the company is a high-risk foreign investment, and I quote from the news release referring to the analysis of opinion as to whether or not the short or long-term operations in Saudi Arabia are viable. They say: "If this government's serious doubts about this are confirmed . . . "When did these doubts occur, and when did the story change from being one of saying that the company was very strong, had wonderful prospects, to now saying they doubt its viability? When did it change?

**MADAM SPEAKER:** The Honourable Minister responsible for MTS.

**HON. A. MACKLING:** Madam Speaker, the concerns we have in respect to the operations there have been manifest in the last number of days and, as a result of those concerns, we've appointed a management audit firm that will get to the bottom of the issues there, and will bring in recommendations that we will act upon.

**MR. G. FILMON:** My further question to the Premier, Madam Speaker, is: when was he first informed of an unsecured, unauthorized loan for \$1.5 million that was made from SADL, our 50-50 subsidiary, to Al Bassam International with the security of a promissory note from Sheik Al Bassam, who we are now being told isn't likely to make good on his debts to MTX? When was he first told of that loan?

**HON. A. MACKLING:** Madam Speaker, the Honourable Leader of the Opposition knows that members of the committee were advised this morning by Mr. Provencher that a loan of \$1.5 million was apparently authorized by the Chief Executive Officer of the joint venture, SADL, one Chafe Abou Richeh, if I have his name correctly. That loan had not been authorized by MTX or the SADL board. However, it's our understanding from the information that Mr. Provencher gave this morning that the loan was repaid with interest.

**MR. G. FILMON:** Madam Speaker, given that the loan to this so-called wealthy sheikh was being made with money of the taxpayers and ratepayers of the Province of Manitoba, given that it was not authorized by either the board of MTS or MTX, what action does the Premier intend to take on this matter?

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Madam Speaker, again, this is a matter that the management audit firm is the most appropriate body to make recommendations in respect to.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**A MEMBER:** Farmers would like a loan like that right about now.

**A MEMBER:** And 8 percent.

**MADAM SPEAKER:** Order please.  
The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, we don't need a management audit to tell us that the loan took place. That was confirmed today in committee. We don't need a management audit to . . .

**MADAM SPEAKER:** Question?

**MR. G. FILMON:** . . . tell us that it was unauthorized. That was confirmed today in committee. What action is the Premier going to take about it?

**MADAM SPEAKER:** That question is repetitive. It's the same as the one he just asked.

The Honourable Member for Pembina.

**MR. D. ORCHARD:** Thank you, Madam Speaker. Madam Speaker, my question is to the Minister responsible for the Manitoba Telephone System.

When was the Minister informed of the \$1.5 million loan in Saudi Arabia to the wealthy Sheik Abdullah Al Bassam, and his company? When was he made aware of that loan?

**MADAM SPEAKER:** The Honourable Minister responsible for MTS.

**HON. A. MACKLING:** Madam Speaker, I thought I had indicated just a few moments ago that the committee members - including myself as a committee member - were advised by Mr. Provencher this morning that there was a \$1.5 million loan authorized by the then president of the joint stock company to a company owned and operated by Sheik Al Bassam. That is the information we received this morning. It wasn't a loan that had been authorized by anyone in MTS or MTX.

**MR. D. ORCHARD:** Madam Speaker, I have a new question for the Minister responsible for the Telephone System.

On Friday, August 15th, my leader posed a question to the Premier about whether the Premier and, hence, we had hoped the Minister responsible for MTS, would have knowledge of any loans made by MTS to the 100 percent Saudi-owned company. Today, at start of committee, an answer was given by senior executives of MTS that no loan was made.

My question to the Minister responsible for MTS is: Did you ask senior executives of MTS and MTX whether any loans had been made as referred to by my leader on Friday?

**HON. A. MACKLING:** Madam Speaker, I recall that I have requested staff on every occasion when questions have been put by honourable members, including the Leader of the Opposition and the Member for Pembina, to provide answers for those questions. I believe I've asked all of those answers to be supplied to me and they've been supplied either in a committee or in this House.

I believe the honourable member will recall this morning that I called upon the chief executive officer of the Manitoba Telephone System to supply answers for all of the questions that had been put before the committee that were still outstanding or other questions that were placed in the House. I believe that he answered those.

**MR. D. ORCHARD:** Madam Speaker, given that the Minister posed the question about loans from MTS, and given the fact that on at least four occasions already those same MTX officials have misled this Minister in answers given; I ask the Minister responsible for MTS whether he asked if any loans were made to the Saudi Arabian sheik by MTS, MTX and the investment company in Saudi Arabia. Did the Minister take his responsibility seriously and get to the bottom of that

situation with MTS staff or did he simply accept their answer which turned out to be not quite true again, Madam Speaker?

**HON. A. MACKLING:** Madam Speaker, I asked staff to respond to all of the questions that had been put in the House and I've asked staff to cooperate fully with the RCMP in their inquiries; and I've asked those same staff to cooperate fully with Coopers and Lybrand, the management audit firm that will be doing an exhaustive analysis of that operation.

**MR. D. ORCHARD:** Madam Speaker, a question to the Minister responsible for the Telephone System.

As Minister, exactly that, responsible for MTS, did you ask those senior officials whether any loans were being made so that you would be able to assure yourself that no such loans, as referred to by my Leader, were made in Saudi Arabia. Did you ask those specific questions of MTS staff?

**MADAM SPEAKER:** May I remind the honourable member that questions are to be put through the Chair, not directly to a Minister.

The Honourable Minister responsible for MTS.

**HON. A. MACKLING:** Madam Speaker, I have directed staff to provide full information . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please. Members cannot dictate the manner in which a Minister answers a question.

**HON. A. MACKLING:** Madam Speaker, I have directed the staff to provide complete information to the RCMP Police and to the management audit firm in respect to all questions that have been placed either in this House or that have been put by me to staff in respect to this whole operation.

We're going to ensure that there is full accounting in respect to all matters dealing with MTX.

**MR. D. ORCHARD:** Madam Speaker, I have a question for the Premier.

Madam Speaker, given that on four different occasions the Minister responsible for the Telephone System has had to stand up in this House and indicate that he was misled by MTS staff, given that this morning at committee the Minister did not take the questions posed by my Leader seriously last Friday, did not ask any questions of MTS staff as to the involvement of loans to the Saudi Arabian sheik, which we now find they loaned, unauthorized, \$1.5 million to a wealthy Saudi Arabian sheik, will the Premier now demand the resignation of the Minister responsible for the Telephone System and replace him with a Minister who will start asking the kind of questions that lead to answers and get to the truth in the MTX affair?

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Madam Speaker, we've just witnessed the type of action that decries the type of

approach that honourable members across the way would have us proceed in. A statement that the Minister got up on, on four occasions in this House, indicated that he had been misled by officials of the Manitoba Telephone System.

The Minister has indicated that he is not satisfied that he's getting complete information. It's as a result of that that this Minister, the present Minister responsible for the Telephone System, and this government, have appointed Coopers and Lybrand so that the very allegations that have been raised by honourable members across the way and have concerned the members on this side can be dealt with by one of the most respected worldwide management consulting firms.

Madam Speaker, let me assure you that I have much more confidence in Coopers and Lybrand and that management audit firm than the ability of the Honourable Member for Pembina or anyone of his colleagues across the way to bring in appropriate findings and recommendations so that we can, Madam Speaker, . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

**HON. H. PAWLEY:** Madam Speaker, the very conduct of honourable members across the way in yelling "fools" and all other kinds of allegations in this Chamber . . .

**A MEMBER:** Cover-up!

**HON. H. PAWLEY:** . . . - and "cover-up" - and decorum, demonstrates their own interest in inquisition, their own interest in Star Chamber; They're not interested in reality and facts. It's McCarthyism.

**MR. D. ORCHARD:** Madam Speaker, I have a new question for the First Minister.

Given that one month ago we were assured by the Premier and by the Minister responsible for MTS that all was well with MTX, the future looked bright and rosy, and now the Premier and that same Minister responsible are saying we doubt if we will continue to operate in Saudi Arabia based on, as the First Minister would have you believe, the irresponsible actions of the Opposition. If it weren't for us, Madam Speaker, we would not be even where we are in determining the truth.

My question to the Premier is: Will the Coopers and Lybrand consultant management firm investigating MTS be requiring testimony from senior MTS officials who have misled their own Minister on four different occasions? Will it be required that those same officials testify under oath to Coopers and Lybrand?

**HON. H. PAWLEY:** Madam Speaker, I, in fact, recall that the Minister responsible for the Telephone System, rather than saying as alleged by the Member for Pembina, indicated that the Saudi Arabian economy was having difficulty because of the oil decline not unlike the Alberta economy where their friends in Ottawa had to come forward to rescue two large banks in the Province of Alberta because of oil decline.

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The Minister responsible for the Telephone System some time ago indicated that there were economic problems in Saudi Arabia and the impact. Madam Speaker, if the Member for Pembina wants to debate that during the regular process of debate, he is entitled to do that.

Madam Speaker, we are not interested in inquisition or a Star Chamber. The evidence at the extent to which the Opposition would proceed in that respect was illustrated by the House Leader only 20 minutes ago in the type of recommendation proposed by the Leader of the Opposition yesterday as to how such a committee would be used to complement criminal proceedings.

The Leader of the Opposition exposed for all to see and hear their true intents - Star Chamber, inquisition - rather than getting to the bottom of the problems that have been raised in this Chamber.

#### **MTS - RCMP investigation, progress of**

**MADAM SPEAKER:** The Honourable Member for Elmwood.

**MR. J. MALOWAY:** Thank you, Madam Speaker. My question is to the Attorney-General.

Could the Attorney-General report on the progress of the RCMP investigation into the MTX?

**MADAMSPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Madam Speaker, I'm pleased to report that the RCMP have made considerable progress. They've interviewed several people. They report to me that in every case those that have been interviewed have been fully cooperative and it provided them with all the information requested and answered all questions asked.

I should point out, incidentally, that answers given to the RCMP under those circumstances can be used in criminal proceedings unlike answers before a parliamentary or legislative committee, unlike answers before a Commission of Inquiry, which cannot be used if the witness claims the protection of The Evidence Act. Answers given to the RCMP can be used, the others cannot; so I think that should be clear.

Finally, in response to the same thing, because that should be known, Section 122 of the Criminal Code provides that it is a criminal offence to give information, not under oath to a body such as a Committee of the House authorized to receive testimony. So that the question of oath or not oath does not change the character of a criminal offence if somebody gives false information with an intent to mislead. That should be made very clear.

**MADAM SPEAKER:** The Honourable Member for Inkster.

The Honourable Opposition House Leader.

**MR. G. MERCIER:** Madam Speaker, in view of the fact that you've just recognized an Opposition backbencher, I move that the Leader of the Opposition now be heard . . .

**MR. D. SCOTT:** Madam Speaker, on the same point . . .

**MR. G. MERCIER:** . . . seconded by the Member for Pembina, Madam Speaker.

**MADAM SPEAKER:** Order please.

The motion before the House is that the Leader of the Opposition be now heard. All those in favour?

**HON. J. COWAN:** I'm sorry, if you are accepting . . .

**MADAM SPEAKER:** The Honourable . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please. The Honourable Government House Leader.

**HON. J. COWAN:** If you are accepting that as a motion, I would seek your advice as to whether or not that is a debatable motion.

**MADAM SPEAKER:** My understanding is that a motion can be made and that by putting it to the House I have accepted it. We are in the process of determining whether the House accepts that motion.

All those in favour of the motion, which is that the Leader of the Opposition now be heard, please say aye.

All those opposed?

In my opinion, the nays have it.

And for the information of the House I have, since the beginning of this Session, kept a list as members stand. I have used the practice of alternating, but I also think members understand that when it is now 2:36 p.m. and that members have used almost two-thirds or more than two-thirds of question period and other members have been rising from the beginning, that it is only fair that I follow the list. In fact, I did allow the Member for Pembina in before other members on my list who had risen before the Honourable Member for Pembina.

The Honourable Opposition House Leader.

**MR. G. MERCIER:** Yeas and Nays, Madam Speaker.

**MADAM SPEAKER:** Order please. Yeas and Nays on what?

**MR. D. ORCHARD:** On your motion decision.

**MR. G. MERCIER:** Madam Speaker, on the motion, not on the remarks that you intervened.

**MADAM SPEAKER:** Order please. I had already recognized the Honourable Member for Inkster again, so we have passed that order in the proceedings.

**MR. G. MERCIER:** Madam Speaker, I asked for Yeas and Nays. I am asking for Yeas and Nays, because you have just completed your remarks.

**MADAM SPEAKER:** Order please.

May I remind honourable members of the process. If one is to call for Yeas and Nays, they call for Yeas and Nays immediately after the vote.

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**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order, order please.

I then recognized the Honourable Member for Inkster to which some members objected.

The Honourable Member for Inkster.

**MR. G. MERCIER:** Madam Speaker, on a point of order.

**MADAM SPEAKER:** The Honourable Opposition House Leader on a point of order?

**MR. G. MERCIER:** Yes, Madam Speaker, yes.

Madam Speaker, you had just ruled that you found in favour of the Nays. You immediately proceeded into making a number of remarks about some record-keeping that you had. Immediately upon conclusion of those remarks, I rose in the House to ask for the Yeas and Nays, which was the first opportunity for me to do so without cutting you off in the middle of your remarks.

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** Madam Speaker, notwithstanding the fact that it is quite obvious that the members opposite now not only want to ask the questions and answer the questions, as they have clearly indicated they want to in the past, they are now indicating that they want to determine who is going to ask the questions, and then next when they will ask the questions and try again to determine the answers.

Notwithstanding that, and believing that their actions are quite transparent and easily seen through, we on this side have no objection to the Yeas and Nays being taken at this time, and fully expect that they will continue upon their long established path now of attempting to disrupt the business of this House and attempting to keep matters that are of importance to the public of Manitoba out of the purview of this House by these sorts of gorilla tactics in the Legislature, but given that we have no objection to the Yeas and Nays being taken right now and would support their request.

**MADAM SPEAKER:** Order please.

In the general racket, after I had said that the motion was defeated, obviously the Honourable Opposition House Leader did not hear me call on the Honourable Member for Inkster. That's quite understandable.

I would like to remind members that if they are going to call for a recorded vote, the rule is that they do it immediately.

Now, if it's the will of the House to have a recorded vote, I am the servant of the House and we will have a recorded vote. There is no problem with that, and people do not have to lose their tempers.

Call in the members.

The question before the House is that the Leader of the Opposition now be heard.

A STANDING VOTE was taken, the result being as follows:

## YEAS

Birt, Brown, Carstairs, Connery, Cummings, Derkach, Downey, Driedger, Ducharme, Enns, Ernst, Filmon, Findlay, Kovnats, Manness, McCrae, Mercier, Mitchelson, Nordman, Oleson, Orchard, Pankratz, Rocan, Roch.

## NAYS

Ashton, Baker, Bucklaschuk, Cowan, Desjardins, Doer, Dolin, Evans, Harapiak (The Pas), Harapiak (Swan River), Harper, Hemphill, Kostyra, Lecuyer, Mackling, Maloway, Parasiuk, Pawley, Penner, Plohman, Santos, Scott, Smith (Ellice), Smith (Osborne), Storie, Uruski, Walding, Wasylcya-Leis.

**MR. CLERK:** Yeas, 24; Nays, 28.

**MADAM SPEAKER:** The motion has been defeated.

I have the Honourable Members for Inkster, River Heights and Lakeside next on my speaking list.  
The Honourable Member for Inkster.

## Shaughnessy Park School - day care

**MR. D. SCOTT:** Madam Speaker, I have within my constituency four schools that are presently either being constructed or major additions thereto, and I have a question for the Minister of Education.

The other day, the Winnipeg School Division decided not to proceed with the construction of Shaughnessy Park School over a dispute they have amongst themselves in regard to a day care centre to be attached to that school. My question to the Minister of Education is: Did the Winnipeg No. 1 School Division in their submission to the Public Schools Finance Board include a request to make that addition or construct that addition on that school to include, No. 1, a day care centre?

Also, did they go ahead and instruct their architects to build a school with a day care centre as an integral part of the day care centre?

Also, did they follow through with that to actually go through the stage of tenders, Madam Speaker, for the construction of that school with the inclusion as an integral part of the day care centre?

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. J. STORIE:** Thank you, Madam Speaker.

I appreciate the honourable member's interest in this question. I know that it will be of considerable interest to a number of the parents and people in the area of Shaughnessy Park. I can indicate that, yes, in fact Winnipeg No. 1 did indicate that they would be participating in the establishment of day cares both in new construction and in renovated facilities back in March; and Shaughnessy Park was indeed in one of those. They have subsequently changed that decision with respect to the day care facilities.

I had an opportunity to meet with the Winnipeg No. 1 board this morning, and we did discuss the issue. I made it very clear to them that the province's commitment and undertakings in respect to day cares were sound, that the letter that my predecessor sent

and that I sent subsequently were, in fact, the policy of the government and would be implemented in full.

**MR. D. SCOTT:** A supplementary to the same Minister, the Public Schools Finance Board, I understand, was willing last week to give approval for the construction of the school as submitted to tender. The Winnipeg No. 1 School Division now has delayed that process by the rejection of that.

**MADAM SPEAKER:** Order please. A supplementary needs no preamble, as the honourable member knows.

**MR. D. SCOTT:** Madam Speaker, I thought it would assist in the understanding of the essence of the question, but I'll accept your ruling.

Because of the delay so far, the school division will be paying \$2,500 a day. Are they . . .

**MADAM SPEAKER:** Order please, order please. Does the honourable member have a supplementary question?

**MR. D. SCOTT:** Yes, Madam Speaker.

**MADAM SPEAKER:** Well, ask your supplementary question without a preamble, please.

**MR. D. SCOTT:** Madam Speaker, a question to the Minister of Education, is the Public Schools Finance Board responsible in any way to pay the Winnipeg No. 1 School Division a cost of some \$2,500 per day that they are suffering because they did not approve the school last week in the delay of awarding tender? Will that be recoverable from the Public School Finance Board or does the Winnipeg No. 1 School Division have to absorb that themselves?

**HON. J. STORIE:** Madam Speaker, I do not believe the Public Schools Finance Board would have any responsibility for those costs.

**MADAM SPEAKER:** The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. With your permission, could I defer my question to the Leader of the Opposition?

**MADAM SPEAKER:** Order please. If the honourable member doesn't have a question, she does not have to stand to be recognized.

**MRS. S. CARSTAIRS:** Madam Speaker, I do have a question.

**MR. H. ENNS:** On a point of order, Madam Speaker, I think it's my turn.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** If the honourable members need clarification, I not only keep a list as members rise, but I also refer to the list and see whether the next person on my list has risen. In this case, the Honourable

Member for River Heights is on her feet andd I have recognized her.

#### Native Affairs - appointment of advisor

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the Minister responsible for Native Affairs.

Can the Minister inform the House if he has recently appointed a senior non-political advisor to aid in his responsibilities?

**MADAM SPEAKER:** The Honourable Minister responsible for Native Affairs.

**HON. E. HARPER:** Yes, we have appointed a person by the name of Lloyd Girman to be our senior Native advisor. I think that's been put out on the news release today.

**MRS. S. CARSTAIRS:** A supplementary question to the same Minister. Will the Minister explain why a government dedicated to the principle of Affirmative Action and also committed to the concept of self-government would appoint as an advisor on Native Affairs, a non-Native?

**MADAM SPEAKER:** The Honourable Minister responsible for Native Affairs.

**HON. E. HARPER:** Yes, Madam Speaker, we had advertised the position and had open competition. The best qualified person was Mr. Girman, and we also had some Native people applying for that position but the qualifications that were needed to fill the position were such that Mr. Girman had those qualifications.

**MRS. S. CARSTAIRS:** With a final supplementary to the same Minister, Madam Speaker. Is the Minister telling the House that no aboriginal citizen of this province could be found with the talents, education and empathy to fill this most important position?

**HON. E. HARPER:** Madam Speaker, we have many people who are qualified, but unfortunately those people who were qualified didn't apply for the job. As a matter of fact, we had sought some people to apply, but declined to apply for the position.

I might say that, as being Minister of Native Affairs, it's about time we changed the situation around where Native people are being told what to do by white people, in this case I'm advised, a non-Treaty person.

#### Committee hearing - hour of adjournment

**MADAM SPEAKER:** The Honourable Member for Lakeside.

**MR. H. ENNS:** Thank you, Madam Speaker, a question to the Government House Leader.

Further to his information with respect to this evening's sitting of the Committee of Public Utilities and Natural Resources, can the Government House Leader assure us that, in view of the fact that we have

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passed no speed-up motion, that traditional hours will be maintained with respect to the committee sitting tonight; in other words, adjournment at or near ten o'clock.

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** What I can assure the Member for Lakeside is that we will continue to work to the extent possible. I believe that it has worked to date to arrange in a cooperative fashion the times and the sittings of public hearings of committees as much as is possible.

We have not, on every occasion, been able to agree as to exactly when a committee should sit, but I believe with the cooperation of the Opposition House Leader - and that has been forthcoming in all instances - we have been able to work out a suitable arrangement to make certain that the business of the committees proceeded in an expeditious way.

If the members opposite - and this is done in the House at all times by leave - if the members opposite wish the committee to rise at ten o'clock and the business has been conducted to their satisfaction, we will rise at ten o'clock. If they believe by continuing on beyond ten o'clock to a limited extent be it, you know, 5, 10 minutes, a half-hour or an hour, if that's agreeable to both sides, we'll proceed in that manner. But I think the cooperation which has been exhibited by all members opposite has allowed us to fulfill our role as opposition and as government in a responsible way and I would expect that it would continue.

**MADAM SPEAKER:** The time for Oral Questions has expired.

**MR. H. ENNS:** Madam Speaker, on a point of order. It has really to do with House Business. As a result of the relatively short notice with respect to that committee meeting that's sitting, I wonder if the Government House Leader would undertake to have the draft transcripts of this morning's proceedings available to committee members so that we can facilitate the workings of that committee in the best possible way.

**HON. J. COWAN:** Madam Speaker, I look to you in that the Hansard transcription is really a matter that falls under the purview of the speaker but I would be prepared to encourage to whatever extent possible, that those transcripts be available as soon as possible, if the members opposite are telling me that they would prefer that work to be done and the other work that would normally be done to be put aside so that we could have those transcripts available.

**MR. J. DOWNEY:** Madam Speaker, I wonder if I could make a non-political statement.

**MADAM SPEAKER:** Does the honourable member have leave to make a non-political statement? (Agreed)

#### **NON-POLITICAL STATEMENTS**

**MADAM SPEAKER:** The Honourable Member for Arthur.

**MR. J. DOWNEY:** Madam Speaker, I would ask all members to join with me today to wish Happy Birthday to a very important person in our midst, Kerri Stalker, who is our young page person here. I think we should all honour a very important day, the age of majority today. We would should wish her a Happy Birthday.

**MADAM SPEAKER:** The Honourable Member for Brandon West.

**MR. J. McCRAE:** Madam Speaker, I rise to seek leave of the House to make a non-political statement.

**MADAM SPEAKER:** Does the honourable member have leave? (Agreed)

**MR. J. McCRAE:** Madam Speaker, I think I speak for all members of the House, certainly those who were participants, in thanking members of the media for inviting MLA's to engage in a game of baseball last evening and also in commenting favourably on the grace displayed by members of the media when they were so decisively defeated by the MLA team.

Madam Speaker, members of the media, as well as honourable members, will join me also in thanking the Honourable Member for River Heights and Mr. Carstairs for their kind hospitality last evening after the game.

**MADAM SPEAKER:** The Honourable Member for Thompson.

**MR. S. ASHTON:** Yes I would like to add to the comments made by the Member for Brandon West and indicate certainly from our side, we enjoy the opportunity to join as a team as MLA's and play the media, obviously with a successful result. I'm sure I speak for all members in marking the many great individual contributions, particular one contribution. That was the fact that there was one home run in that game hit by Slugger from Inkster and I'm sure we all would like to credit him for a tremendous performance yesterday.

#### **COMMITTEE CHANGES**

**MADAM SPEAKER:** The Honourable Member for Ellice.

**MR. H. SMITH:** I'd like to announce a change in the Public Utilities Committee: the Member for Fort Rouge substituting for the Member for Dauphin.

#### **SPEAKER'S RULING**

**MADAM SPEAKER:** Before moving to Orders of the Day, I have a ruling I would like to present to the House.

On August 11th I took under advisement a matter of privilege, raised by the Honourable Member for Pembina, alleging that the Minister responsible for the Manitoba Telephone System had misled the Standing Committee on Public Utilities and Natural Resources. I have reviewed the Committee and House Hansards for July 17 and August 11 and have noted that the answers provided by the Minister on these dates to

questions which were essentially identical in substance contradicted each other. In order to be proceeded with, a Matter of Privilege, as members know, must comply with the following requirements:

1. The matter must be raised at the earliest opportunity.
2. The member raising the matter must conclude his or her remarks with a motion proposing a remedy or solution.
3. Sufficient evidence to suggest that a breach of privilege has occurred must be presented to warrant giving the matter precedence over the regularly scheduled business of the House.

I am satisfied that requirements 1. and 2. have been complied with. With respect to the third requirement, the presentation of sufficient evidence to suggest that a breach of privilege has occurred, the following excerpts from the authorities are relevant:

Maingot's Parliamentary Privilege in Canada states on page 205 that "a second procedure akin to privilege because it would entail the disciplinary powers of the House and would gain the same precedence in debate relates to the conduct of a member. A member of the House of Commons who, for example, has admitted to have deliberately misled the House, would probably forthwith be the subject of a motion for contempt."

Similarly, Erskine May's Parliamentary Practice, page 149 states: "that the House may treat the making of a deliberately misleading statement as a contempt. In 1963 the House resolved that in making a personal statement which contained words which he later admitted not to be true, a former member had been guilty of a grave contempt."

On page 205, Maingot also makes the following observations respecting the distinction between misleading and deliberately misleading: "To allege that a member has misled the House is a matter of order rather than privilege and is not unparliamentary whether or not it is qualified by the adjective unintentionally or inadvertently. To allege that a member has deliberately misled the House is also a matter of order and is indeed unparliamentary; however, deliberately misleading statements may be treated as a contempt."

From the foregoing extracts from the authorities, it is clear that a member has breached the privileges of the House or committed a contempt against the House by misleading the House or a Committee only if the member has clearly done so deliberately. In this Session, members have been reminded on several occasions that it is unparliamentary to allege that a member has deliberately "misled" the House, for example, during the Budget Debate, Hansard page 406, and in Committee of Supply, Hansard page 1180. Similarly, the House was informed that "misled" has in the past been found both parliamentary and unparliamentary, Hansard, Page 1271.

The motion offered by the Honourable Member for Pembina refers to the Minister having "misled" the Committee on Public Utilities and Natural Resources rather than having "deliberately misled" it. In view of the previously quoted extract from Maingot, the honourable member's use of the term "misled," without any qualifying adjective, has caused me to believe that the member may have had a matter of order rather

than one of privilege. A member raising a matter of privilege which charges that another member has "deliberately misled" the House or a committee must support his or her charge with proof of intent. No such proof was presented by the Honourable Member for Pembina.

In addition, the House has been requested to deal with a matter which occurred in a committee, but which the committee has not yet reported to the House. Beauchesne's Citation 76 says, in part, "Breaches of privilege in committee may be dealt with only by the House itself on report from the committee."

As the honourable member's matter of privilege charged the Minister with misleading the Standing Committee on Public Utilities and Natural Resources and not the House, the committee is where the matter of privilege should have been raised at the earliest opportunity. The Order Paper and Notices for Monday, August 11th, indicated that the committee was to meet the next morning, August 12th, at 10:00 a.m. That, therefore, was the appropriate time and place for the member to raise his alleged matter of privilege.

I, therefore, rule that the honourable member's matter of privilege is out of order for two reasons. First it should have been raised where it is alleged to have occurred; that is in the committee. Second, when raised in a committee, the member would have had to establish that the Minister had "deliberately misled" the committee, which requires proof of intent.

May I remind honourable members of Beauchesne's Citation 17, which states:

"A question of privilege ought rarely to come up in Parliament. It should be dealt with by a motion giving the House power to impose a reparation or apply a remedy. A genuine question of privilege is a most serious matter and should be taken seriously by the House."

The Honourable Opposition House Leader.

**MR. G. MERCIER:** Thank you, Madam Speaker. With all due respect, in view of the fact that you find that the Minister made directly contradictory statements and then merely go on at length to get the Minister off the hook, I would challenge your ruling.

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** There is absolutely nothing wrong with the Opposition House Leader challenging your ruling, Madam Speaker, but to suggest motives on your part, that is "to get the Minister off the hook" is quite unparliamentary, and I would request that the Opposition House Leader withdraw those remarks.

**MADAM SPEAKER:** There is nothing wrong with the Honourable Opposition House Leader challenging my ruling. I would ask him to withdraw reflections as to my intent in making the ruling.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please, order please. Order please.

The Honourable Opposition House Leader.

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**MR. G. MERCIER:** Madam Speaker, in view of the fact that I disagree with your ruling, I would challenge your ruling.

**MADAM SPEAKER:** The ruling of the Chair has been challenged. All those in favour of upholding the ruling of the Chair, please say Aye; all those opposed, please say Nay. In my opinion, the Ayes have it.

**MR. G. MERCIER:** On division, Madam Speaker.

**MADAM SPEAKER:** The ruling of the Chair has been sustained, on division.

### HOUSE BUSINESS

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** Thank you, Madam Speaker. Just to indicate that this evening when we are running the three committees concurrently, for reasons having to do with the sound equipment, and I've discussed this matter with the Opposition House Leader - I apologize for not having an opportunity to discuss it with the Member for River Heights yet - but we would suggest that the Public Utilities Committee take place in Room 255 tonight and Supply in Room 254, and that's only to do with the sound system and availability of microphones.

### ORDERS OF THE DAY

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** Madam Speaker, I move, seconded by the Minister of Health, that Madam 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.

It's my understanding that Natural Resources will be reviewed in the Chamber and, in the committee room, we will be beginning the review of the Department of Government Services.

**MADAM SPEAKER:** The Honourable Member for St. Vital on a point of order.

**MR. J. WALDING:** On a point of order, Madam Speaker, your ruling today dealt with an item which occurred on August 11th, and this Assembly's presiding officer took a matter under advisement on July 30th, which is three weeks yesterday, with a promise to report back to the House. I don't know whether it was done, and perhaps I missed it, or perhaps you could advise when it will be reported back.

**MADAM SPEAKER:** That particular matter was taken under advisement by the Deputy Speaker in my absence, and I will be reporting back on it.

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the

Honourable Member for Burrows in the Chair for the Department of Natural Resources; and the Honourable Member for Kildonan in the Chair for the Department of Government Services.

### CONCURRENT COMMITTEES OF SUPPLY SUPPLY - GOVERNMENT SERVICES

**MR. CHAIRMAN, M. Dolin:** Committee please come to order. We are considering the Estimates of the Department of Government Services, Page 78, Resolution 75. Prior to line-by-line review of the Estimates, the Minister will make an opening statement. The Minister of Government Services.

**HON. J. PLOHMAN:** Thank you, Mr. Chairman.

I will try to keep the opening statement short. I have a couple of pages of major priorities, of which I've given copies to the Opposition.

Just for the information of the Committee, the Department of Government Services is charged with providing a wide range of central support services to government departments, as well as some agencies, boards, corporations and commissions involved with the government. These services include design, construction and management of government buildings as well as supply and management of common commodities and services.

In the year ahead, my department faces the challenge of providing these services within an environment of scarce resources, as has been the case in the last number of years. This means providing acceptable quality service to client departments at a reduced cost to government wherever possible. Our efforts to meet this challenge are demonstrated by the fact that if one is to exclude MPIC lease payments from the 1985-86 and 1986-87 operating budgets, my department's Estimates for this year are only 1 percent higher than last year's.

Government Services expenditures are often directly related to client demands and spending. To manage this, my staff must be proactive in identifying, proposing and implementing alternatives so cost savings can be realized in the delivery of support services.

In accordance with this, Government Services has implemented a number of programs to produce efficient and cost-saving operations. A new Planning Branch is being established within the Project Services Division to provide longer term strategies in the areas of government accommodation and service needs. I believe that will reduce costs and give us a better handle on space requirements for client departments.

As well, our department's ongoing energy management program has been effective and has realized cost savings in the past several years. For example, last year, a five percent increase in electrical, sewer and water costs in some areas was more than offset by a general reduction in energy costs relating to energy management and there have been millions of dollars, I think in the neighbourhood of some \$7 million over the last seven or eight years realized in this program.

A new program has also been implemented for the cleaning of government buildings and it has substantially

reduced operating costs in this area. In fact, our overall cleaning, maintenance and building operating costs are now lower than the national average.

During the past year my department has incorporated an element of control within its operating and service mandate. In this expanded role, Government Services is faced with the challenge of proposing service provision alternatives in response to client demands while maintaining a balanced focus on efficiently addressing overall government needs.

In other words, we are not just responding in a service-oriented manner to request from client departments, but moving more toward critiquing the proposals in request from client departments and providing alternatives that may be more cost-efficient. In other words, a more controlled mechanism.

In keeping with this mandate, the department has been involved in a detailed assessment of overall government space needs, and has also been active in conducting critical analysis projects on behalf of Treasury Board.

In addition, Government Services is continuing in its role as managing and leasing agent for Gimli Properties and departmental staff are now involved with Manitoba Business Development and Tourism in the planning of potential privatization of these properties. To this end, meetings have been held with the community involved and the strategy for privatization is being developed in consultation with community groups and the individuals involved at Gimli Properties businesses there. The housing component of the properties has already been turned over to Manitoba Housing and they are upgrading the units for sale as condominiums.

Within the mandate of service provision, my staff are presently involved in soliciting client feedback on our service performance of the departmental automations assessment and an internal audit review of operations. The department has also been very active in the area of Affirmative Action and is currently in the process of implementing a comprehensive Affirmative Action plan.

The Manitoba Disaster Assistance Board recently enhanced its service and efficiency in dealing with spring flooding compensation. This year the board conducted immediate inspections of reported property damage. The previous year's inspection did not take place until all reports for both private and public damages had been received. This amended procedure allowed for prompt determination and, I think, a more accurate determination of compensation eligibility and we hope, therefore, quick repayments to affected individuals and municipalities.

Service and effectiveness of the Manitoba Emergency Measures Organization was also enhanced this past year through the development of new emergency plans for 14 additional communities. In addition, EMO is presently assisting 39 communities in the development of plans and has helped in the updating of 66 others. There are now 107 emergency plans in place in Manitoba, and we're working toward a goal of having all 201 municipalities and 50 Northern communities equipped with plans.

My department is also involved in several capital construction projects of note. These include renovation and restoration of the A.A. Heaps Building at Portage and Garry; construction of a physical activities building for the Manitoba Developmental Centre in Portage la

Prairie; continued renovations to the new Law Courts complex, and fire and safety upgrading to Headingley Correctional Institute, the Norquay Building, Brandon and Selkirk Mental Health Centres.

This year, there's been a change in the funding mechanism for major capital projects. Funds to facilitate this are now being provided through Manitoba Properties Incorporated; a total of 37.5 million has been set aside within The Loan Act for MPI to address capital construction programs. Manitoba Government Services will continue to manage these programs on behalf of the corporation. This arrangement provides funds to meet current requirements within the 1986-87 Capital Construction Program and also allows the government to respond swiftly to favourable acquisition or construction opportunities that may arise throughout the year and that would be cost effective for the government.

During the present fiscal year, my department will continue in its control and service role and will attempt to efficiently balance these two functions in the best interests of client departments and the public we serve.

That is my statement, except to offer my thanks to the staff who are sitting at the back of the room and others in the department for their hard work and dedication this past year. I'm looking forward to another year of the same kind of dedication and support from them and I'm sure that will be forthcoming.

At this time then, I'll close my statement and if the Opposition have some comments before we ask staff to come up, that will be fine.

**MR. CHAIRMAN:** Thank you, Mr. Minister.  
The Member for Ste. Rose.

**MR. G. CUMMINGS:** Thank you, Mr. Chairman, and thanks to the Minister for his opening remarks and supplying us with a copy of them.

I don't think you'd want a copy of my remarks; they are not typewritten. But I would like to outline a couple of areas that we will be interested in exploring as we go through the Estimates and I would like to touch on a couple of things that you mentioned in your opening remarks.

First of all, myself and the Member for Turtle Mountain are new Critics so we may be asking questions that yourself and staff feel are of a daily housekeeping nature. At the same time, we want to be able to clearly understand the department and make sure that we have a clear picture of its operations and its internal management in particular.

I think we'll be trying to determine facts to be able to understand the relationship with your department and the various departments which you refer to as clients regarding the payback and cost accounting and how internal accounting is done in relationship to work that is done or supplies that are made by Government Services to various departments. We'll be interested in how certain services are provided and how they tie into letting of contracts and tendering. We'll be asking you questions on parking and security.

I'm interested and pleased to see that the government and Government Services has implemented energy saving programs. It is something that I'm quite interested in and would be interested in exploring some

of the details on what the department is doing in this area.

Myself and my party have some concerns about MPI becoming involved in construction role in association with Government Services and certainly I think you can expect some detailed questioning in that area, because it seems to me that it may be leading into an area that causes a great deal of concern and a difference in philosophy between yourselves and the philosophy that we have regarding government control and control by elected officials.

I think that, within your department, there are a couple of areas that have performed in a manner that, well, they will receive some critiques. I hope the critiques are taken in terms of enabling them to better their services to the community and through the offices of the department, but certainly the Manitoba Disaster Assistance Board, there are some questions in that area, but there also are some bouquets.

The same is true for the Emergency Measures Organization and their response. We would be interested in hearing of any new plans in that area, and the updating of the services that are supplied through that area. Certainly, as I pointed out, there are some credits, and there will be some questions that we would like to ask.

With those few remarks, Mr. Chairman, I think the best thing for us to do would be to start going through the line-by-line Estimates. We can take as much time as we can to get the information that we want, rather than exchanging positions.

**MR. CHAIRMAN:** Thank you. If staff would like to come forward now.

The Minister of Education.

**HON. J. STORIE:** On a point of order, I believe that there are rules applying to committee which make this a smoke-free environment. For those of us who do not smoke and find it very aggravating both in a physical and an emotional sense, I would ask that we adhere to the rule.

**MR. CHAIRMAN:** I remind honourable members that the rules of the committee are that this is a no smoking area during committee hearings. Members are requested to please refrain from smoking.

The Minister of Government Services.

**HON. J. PLOHMAN:** Mr. Chairman, I would like to introduce the members of the staff who will be working with us this afternoon. Eric Harbottle, first of all, is the Deputy Minister. Gerry Varazik (phonetic) is the Executive Director of Administration. Gerry, you may as well sit right here. We're going to start with administration. We also have Stu Ursel, who is the Acting Executive Director of Property Management right at this end, division; Charlie McIntyre, the Executive Director of Supply and Services Division sitting next to Stu. George Fische (phonetic), the Executive Director of Project Services Division is next; and also Jack De Zeeuw, Director of the Land Acquisition Branch.

**MR. CHAIRMAN:** Thank you, Mr. Minister.

We will begin with Item 1., Resolution 75. Deferring Item 1.(a), we'll begin with Item 1.(b) Executive Support.

The Member for Ste. Rose.

**MR. G. CUMMINGS:** Mr. Chairman, I'm interested in starting with one small number here under Other Operating in your explanatory notes. It changed from \$1,600 to \$4,400.00. Is there any reason why that number has gone up when other designated areas have gone down?

**MR. CHAIRMAN:** The member is referring under Item (b)(2). Is that correct?

**HON. J. PLOHMAN:** The member is referring under item (b)(2), is that correct?

**MR. G. CUMMINGS:** Yes, if we can deal with (b)(1) and (b)(2) together.

**HON. J. PLOHMAN:** Sure.

**MR. G. CUMMINGS:** Under Executive Support, the question that I'd be interested in is departmental out-of-province travel. Can we have some examples of where this would be used and for what reason?

**HON. J. PLOHMAN:** We do have actually a very limited travel budget in this department compared to some, because of the nature of the department and a conscious effort to consolidate all expenditures for out-of-province travel in one appropriation, which is unlike many other departments where it is consolidated. A few years ago, I can tell you that this was in the neighbourhood of some \$30,000, and over the last couple of years it's been reduced, the last four years, down to a figure of 14,000 now.

There's usually a Deputy Minister's meeting, a conference, that is held once a year and sometimes other ad hoc requirements for the Deputies to meet on specific issues.

There's also a federal-provincial conference of Ministers of Public Works and Supply and Government Services that takes place once a year, and a number of other professional committees, technical workshops, that are held, such as the Purchasing Management Association of Canada Conference last year, Technical Workshop on the topic of Networking Automated Building Control Systems, 4th Canadian Building Congress Seminar, the Canadian Intergovernmental Energy Management Committee Meeting - those kinds of things.

**MR. G. CUMMINGS:** Thank you. I would like to move on, then, unless there are other questions in this area.

**MR. CHAIRMAN:** The Member for Turtle Mountain.

**MR. D. ROCAN:** Just a short question to the Minister. I see a reduction in Salaries here of approximately \$16,000.00. Can the Minister elaborate a little bit why? Did somebody take a cut in pay, or?

**HON. J. PLOHMAN:** Well, there's a reduction in the staff turnover allowance of some \$20,000.00. That is the review that was undertaken this past year by the department to do a detailed analysis of its historical

projected staff turnover, allowance in each appropriation. As a matter of fact, you'll find that throughout the department, when looking at the Supplementary Information, something called Staff Turnover.

The members will notice that and it is a reduction in the allowance for salaries, based on the historical record of turnovers, as opposed to the percentage that was used previously and budgeted for; so there's been actually a reduction in the amount budgeted for salaries based on the historical actual turnover of staff and the actual numbers needed. So that's why there's a reduction as well as, I believe, the conversion of an executive assistant position to a secretarial position which is less dollars.

**MR. CHAIRMAN:** 1.(b)(1) - the Member for Ste. Rose.

**MR. G. CUMMINGS:** Just to follow on that question for a moment, there are several places in the Estimates where I noticed there was a change in the amount, or elimination of the amount that was allocated under staff turnover.

What is that an indication of? Are you saying that the staff is more stable within the department or that the staff being hired is of a lower cost?

**HON. J. PLOHMAN:** No. As I tried to indicate, you will notice if you look through the Supplementary Estimates, that there is a line called "Less staff turnover" in almost every situation; and that is just a more accurate reflection in budgeting of the costs of providing for staff and it reflects a more accurate vacancy rate that has been prevailing over the last number of years.

I believe the previous allowance was .5 percent budgeted - 99.5 percent of salaries were budgeted for - of actual salaries of people working there, keeping in mind that you have vacancies in the year and you really don't have to budget 100 percent of the salaries that are needed for every individual because of vacancies that occur.

In the past there was an allowance, a reduction from the 100 percent of salaries by .5 percent. Now we've reduced that down to 1.8 percent, so we're really budgeting to 98.2 percent of projections or actual costs of salaries per year. Everybody worked a whole year and there were no vacancies whatsoever.

**MR. G. CUMMINGS:** I would like to pursue this a little further, and perhaps further down in some of the other departments, because that would indicate to me - and I would have to relate this to other departments - but that would indicate to me that either there are vacancies there that need to be filled or that we have been over-budgeting for salaries, prior to the implementation of this, by about 1 percent. Would that be a fair conclusion?

**HON. J. PLOHMAN:** Well it could be an interpretation, of course. This was based on a study. The fact is that probably the Department of Government Services was budgeting a little higher for salaries overall than most government departments, and that we are now about consistent with other government departments. That is something which wasn't caught or dealt with or picked

up in budgets in the past, but it is something we are now adjusting for, by allowing for a vacancy rate, in terms of costs and budgeting which reflects the experience - not a conscious decision.

**MR. G. CUMMINGS:** Okay, I accept the Minister's reply. I would just say that in departments other than this where I would have seen that, I would be concerned that possibly certain positions were being deliberately left vacant, but I accept that it's a normal course of events in this sort of service-oriented department.

**HON. J. PLOHMAN:** Well I think it's a normal course of events in all departments, but that does not mean that there are not vacancies deliberately not filled as quickly as they could be filled at times, in order to meet certain targets for reduction in expenditures. An attempt is made in that regard to do it in the least sensitive areas where we think it can be done, but that is part of management in terms of meeting targets and keeping expenditures down as low as possible. There is, from time to time, an effort made to reduce expenditures by not filling as quickly, but that is not reflected in these figures.

**MR. G. CUMMINGS:** One last question, and it should be pursued, I understand, I am sure under Personnel, but this brings into question the hiring practice - and correct me if I'm wrong - but does the department follow a hiring practice of 90 days to fill a position? It could be very easy to have an accumulation of 90 days which would be a considerable savings to the department. I'm not necessarily being critical here, Mr. Minister. I'm trying to determine if that is one of the factors that would affect this?

**HON. J. PLOHMAN:** We can get the average fill time to replace an individual once a decision is made to replace. Sometimes there are evaluations done as to the necessity of that position and whether it should be reclassified, and so on. But if the position is filled in the same capacity as it was previously, there are no 90 days to do it. There's no given amount of time. It can be done much quicker than that, and is, in sensitive positions that are absolutely required.

**MR. G. CUMMINGS:** Following on that, I would like to ask a couple of questions on the explanatory notes that are included here. By the way, I want to compliment the department on the Supplementary Information that we've been given. I want to also for the record state that we were given this information before it was in the bound form and it got to us in good time so that we could do as good a job as possible in this process. That's appreciated.

My interest would centre around the development of policies and procedures for the manuals, development of policies which have government-wide implications. It would seem to me that from the staff allocation and the responsibilities involved here, do we keep four people busy under management support, working on policy development?

**MR. CHAIRMAN:** If I could just suggest to the member. My understanding is we still have not passed 1.(b). You're on 1.(c) now?

**Thursday, 21 August, 1986**

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**MR. G. CUMMINGS:** I'm sorry, I'm on Management.

**MR. CHAIRMAN:** Executive Support, I've been asking for pass on 1.(b)(1) and 1.(b)(2) and haven't heard anything.

1.(b)(1)—pass; 1.(b)(2)—pass.

Okay, so you're dealing with 1.(c) Management Support.

**HON. J. PLOHMAN:** Now the question is in relation to, Mr. Chairman, I just want to be clear, the two additional staff in the area from 4 to 6 in the managerial professional area? Is that really what . . .

**MR. G. CUMMINGS:** How it is that they were able to be moved in there, which amounts to an expansion in this area, I assume, and to make use of them in the areas I mentioned where we're talking about policy development and program overview; are there four people fully employed, involved in that and production of the Session Book? There must be more of a workload, I would suggest, than what is indicated in the breakdown in the supplementary here.

**HON. J. PLOHMAN:** I think it's necessary to have a good management support function to ensure that there is a constant review of the operations of departments, various sections of the department. The planning studies to provide information to various sections of the department are needed. What we had here was a transfer from another section of the department, not an addition, an add on, insofar as SY'S are concerned. It's just a shift of priority within the Administrative Branch or Administrative Section of the department, from Finance and Budgets to this particular area of Management Support.

So what we are dealing with, and there were some examples given in the Supplementary Information, not just one example that the member referred to about preparing a Session Book. There were a number of examples.

They have developed last year a planning calendar for the overall department. They prepared the strategic program overviews for Treasury Board and Cabinet consideration. They prepared the Minister's Issues Book which is done each year to ensure that the Minister is on top of all of the issues in the department which he may have to answer for in the House.

They prepared the Management Information Systems Report and prepared the Affirmative Action preliminary plan; developed policies and procedures for Client Services Manual; developed policies and procedures for Administrative Services Manual. They've completed review of the Project Services section.

They have assisted the consultant in conducting a study in the Land Acquisition Branch to see where procedures could be amended to more effectively respond to the needs. They have completed a preliminary survey analysis on client services; coordinated an interdepartmental and private consultant study on lease purchasing for financing office accommodation; conducted a first phase study on departmental tendering and contracting.

A communications function is also in that area preparing news releases; coordinating building

openings; developing department communication strategy; developing emergency communications strategy in conjunction with the Emergency Measures Organization, EMO.

They prepared publications. They prepared the 1984-85 departmental Annual Report. They prepared the brochure on "Your Rights Under Expropriation," in conjunction with the Land Acquisition Branch, so the public individuals who are being expropriated know what their rights are; prepared brochures on EMO's functions in conjunction with EMO; prepared the first draft document of energy conservation literature. And there is a whole range - oh, there are more: policy procedures development, developed Freedom of Information Policies/Procedures in anticipation of the declaration of The Freedom of Information Act; they developed selection methodology for general artwork purchases; developed policy for use of government buildings by non-profit organizations. They have also been preparing legislative amendments to a number of acts that are administered through this department, including The Land Acquisition Act, The Public Works Act, The Emergency Measures Act, and so on, that there will be amendments coming forward in future legislative sessions.

There is a whole range of additional studies and a similar type of activities for the next coming year which is planned. I could go through those, and it would be an even longer list than I've given so far, but that is the nature of the functions in that area.

**MR. DEPUTY CHAIRMAN, C. Baker:** The Member for Ste. Rose.

**MR. G. CUMMINGS:** Mr. Chairman, I understand from the Minister's explanation that the people are therefore gainfully employed. I was interested when I saw a transfer to this department and I realized that they came from Finance, I believe it was, where . . .

**HON. J. PLOHMAN:** Within this section of the department, not from another department, not the Department of Finance. I just want to clarify it. It's not a transfer to this department; it's a transfer within the department.

**MR. G. CUMMINGS:** Okay, thank you. I guess when I saw that one of the responsibilities was coordinating proposed legislative amendments, and in my brief period here I haven't seen a lot of activity in that area or production of press releases on behalf of the department.

Government Services, to me, is not a department that necessarily needs a high profile in that respect, so I believe I had reason to question where the people were being employed.

**MR. D. ROCAN:** How many weeks is a staff year?

**HON. J. PLOHMAN:** 52 - that's one year.

**MR. D. ROCAN:** That's what they go by.

**HON. J. PLOHMAN:** Mr. Chairman, I just wanted to respond to what the Member for Ste. Rose was saying

just now that he didn't think that there was a lot of activity in that area.

You don't always see the results of activity. For example, in the area of legislation, the same year that there is activity taking place there is a lot of research, consultation and development that takes place before an act is ready to be put into the Legislature by the Minister; and in the area of government purchases and the emergency measures areas there is a lot of thought and development taking place at the present time to revamp those acts to reflect the current practice because they are outdated. So, in that area, there is certainly a lot of work to be done.

As well, in the communications area, it may not seem that the Government Services Department deals that much with the public, although we do in the areas of disaster assistance and emergency measures; but there is an internal public that we can't forget and that, of course, is all of the clients that we deal with as well - the departments that we serve as a Government Services Department.

There can very well be, in many cases, breakdowns in understandings about how things work and the service provided if there isn't good communication between those departments. So there is a role that has to be provided there in analyzing how we serve the other departments and how we can better serve the other departments.

**MR. D. ROCAN:** Can the Minister tell us the job classifications that exist within this department? Are we talking about seven or eight employees? I would also like to know their job descriptions and/or titles.

**HON. J. PLOHMAN:** In Management Support, and I believe the member is asking about the seven SY's this year, and the member is asking for the job description of those seven.

Well, there are six in the managerial and professional area - senior officers, planning program analysts. Are these the people? I'm not sure what the member wants in terms of the salary range or the classification. I could give you words like PM2, PM4?

**MR. D. ROCAN:** That's right, yes.

**HON. J. PLOHMAN:** There are five PM2's, one PM4 and one AY3.

**MR. D. ROCAN:** The job descriptions and/or titles of those?

**HON. J. PLOHMAN:** I can give you those. There is the communications coordinator, administrative secretary, manager of management support, policy and program analyst, special projects analyst, planning and program analyst and another planning and program analyst. Most of them are called planning and program analysts.

**MR. CHAIRMAN:** The Member for Ste. Rose.

**MR. G. CUMMINGS:** I would just like to point out to the Minister, in the 1984-85 Annual Report, under Management Support, it points out that the committee support coordinated the Internal Policy, Planning and

Review Committee. The committee consists of management representatives from each division and is accountable to the executive committee for planning various policy media and for reviewing new or revised policies. Now that was what led me to ask the question about involvement with media. By media here, are you referring to the vehicle?

**HON. J. PLOHMAN:** Yes.

**MR. G. CUMMINGS:** Okay.

**MR. D. ROCAN:** Under Office Supplies and Word Processing Services, I see a reduction in both those categories, but then I see an up in Other Operating.

Am I led to believe that Office Supplies or Word Processing Services have been underbudgeted and they were able to draw from this Other Operating?

**MR. CHAIRMAN:** The member is referring to items under 1.(c)(2), is that correct?

The Minister for Government Services.

**HON. J. PLOHMAN:** I think there has been an effort to more accurately reflect again in a similar way that we did this with staff turnover. The department has made an in-depth effort to ensure that each of these in preparation - you see the supplementary information has been prepared this year for use of the Opposition and for public use for the first time. This has never been provided to the Opposition for the purposes that we have this year. It's an added feature that was put in a couple of years ago with some departments from our government and we've continued to add departments to that process. Next year, for example, Highways and Transportation will also have this kind of supplementary information.

So, certainly, in showing this information in this way, there was a concerted effort to ensure that it accurately reflects the experience of the previous years in that kind of detail and breakdown. So what we have now is rather than a change in practice or policy with regard to expenditures or emphasis, basically, a more accurate reflection of where dollars were spent.

**MR. D. ROCAN:** I can go through. The telephone decrease - there is a \$1,000 decrease - results from a reduction in the number of lines and reduced utilization of long-distance charges. Office supplies, \$1,400, decrease in expenditures anticipated due to concentrated effort on the part of staff to minimize utilization of supplies, word processing services 1,400, reduced reliance on Word Processing Centre for typing of large reports and other high volume written materials; office electronic typewriters are now being used to full capacity; other operating, increased results from increased utilization of photocopying, printing and creative services; also, from rental charges for electronic typewriter which has not been budgeted in previous years.

**MR. CHAIRMAN:** 1.(c)(1)—pass; 1.(c)(2)—pass.

1.(d) Finance and Budgets - the Member for Turtle Mountain.

**MR. D. ROCAN:** I believe this is where the audit personnel exist under this expenditure and we are

looking at \$574,500 in salaries. How many persons does he have within his department that can go into another branch of the department and do an audit? Could the Minister elaborate to what extent they will go in and approximately how long will they stay in another department? Could he use an example of one of the departments and could he give us a sample of the kinds of results he has been able to see?

**HON. J. PLOHMAN:** Okay. It's difficult when we have a couple of my colleagues that are heckling so I didn't hear all of the details of the question but I believe he wanted to ask, first of all, how many are involved in Internal Audit that can go into other sections. First of all, that is two people, one internal auditor and an assistant to the internal auditor. They have undertaken a number of audits internally.

The member asked for a specific example of where some of his recommendations have resulted in greater efficiencies, I would think, in the department. I will try to get to that in terms of specific examples of efficiencies.

Now, the internal auditor function has been in place in the department for, I believe, about three years. This past year, the internal auditor looked at Leased Properties, Telecommunications Branch, Manitoba Disaster Assistance Board, Office Equipment Branch, Internal Audit Manual, Fleet Vehicles, Physical Plant District No. 1, Personnel and Payroll, Material Supply.

I could choose some examples where there's been specific savings. One of them might be the Manitoba Disaster Assistance Board which I've been kind of anxious to get to tell the Opposition because this is a major change from when they were in government dealing with the Manitoba Disaster Assistance Board, where there used to be a pre-audit done by an outside accounting firm that was hired to review all payments that were to be made before they were actually made. So it was really a pre-audit of claims through the Disaster Assistance Board rather than having staff process these and then have an audit done by the Provincial Auditor or by an independent firm as is done in most cases with auditing. They had pre-audits rather than having the staff do it. We estimate that the cost of reviewing the claims files by the external accounting company was estimated at \$150,000 per year which certainly was a waste of taxpayers' money for emergency expenditures.

Now that is being saved and done by the staff at the Disaster Assistance Board. Then the final audit is done by the Provincial Auditor, as is done with all other government departments. So there's an example where the internal audit function, along with the work of the secretary of the board have identified an area where there were inefficiencies and we have now realized substantial savings in expenditures.

I could go on with others in Office Equipment Branch, and Physical Plant from where they anticipate savings as well.

**MR. D. ROCAN:** Also in this supplementary it says "coordinates administrative services provided to the department, including vehicles, telecommunications . . . "Why in the budget in Finance is telecommunications?

**HON. J. PLOHMAN:** Well, just let me check that. I think the member is referring to the audit that was done of the Telecommunications Branch.

**MR. D. ROCAN:** The word "coordinates" is used in the supplementary information here; the last item.

**HON. J. PLOHMAN:** That is just the function within the department that coordinates the overall needs for the Department of Government Services. There are similar functions in all departments that Government Services deals with. This is the internal function for the Department of Government Services in providing coordinated information on all of the services offered.

I just want to provide further information. It controls, for example, the number of vehicles that are provided to the department and who's assigned those vehicles, the telecommunications' needs for the department. That's why those were used as examples, the priorities for those services and what's required for the Department of Government Services.

**MR. CHAIRMAN:** The Member for Ste. Rose.

**MR. G. CUMMINGS:** That is all handled under Finance and Budgets. If I understand the Minister correctly, the designation then of who has vehicles would be handled through here; is that what you're . . .

**HON. J. PLOHMAN:** The coordination and the recordkeeping, Mr. Chairman.

**MR. G. CUMMINGS:** Okay. I am not a management expert, but this leads to a question that seems to flow from going through the supplementary information and I'm quite prepared to agree that the department has bared its soul here, in terms of its revealing its management structure. But it seems to me that we have management overlay over management overlay. I would have felt that, for example, in 3.(f) which is Telecommunications, that's where the control would have been exercised. Are you saying that the departments are - the subdepartments if you will - are given their control from the Budgets and Finance Departments as to the actual bookkeeping of what goes on in their department? For example, I'm sorry to switch back and forth between two examples but the example of Vehicle distribution, just picking that one as an item, why would that not be handled under the area that was responsible for those particular items?

**HON. J. PLOHMAN:** They're responsible for, like the Telecommunications Branch and Fleet Vehicles, providing that service to other departments, to clients. In the same way, the Department of Government Services itself is a client. Therefore, those branches that provide the service have to have someone to deal with in the Department of Government Services and they deal with Finance insofar as the needs of the Department of Government Services. Then they deal with each of the other client departments in the government.

**MR. G. CUMMINGS:** That leads then to a more general question, if the Minister will allow me to bring it in at

this point. That is the general role of Government Services in providing a service - I guess I would like a little bit more information - does the department provide service on demand, or does the department provide a service within predetermined parameters that the department lays down itself?

You have obviously a budget laid out for the coming year - that falls under Budget and Finance - based on historical requirements. But if a department decides that, for example, it needs more equipment, more computers because of changes within that department and they provide a request to Government Services for those particular pieces of equipment which could be quite costly, does Government Services have the right to say no, we don't have the funds? Or do they have the responsibility to provide what is requested and the requesting department is required to come up with the funds? How is that responsibility divided?

**HON. J. PLOHMAN:** Where the services are charged back to the departments, which is in most cases, for telephones, for example, for vehicles, for equipment, the departments have to have that money budgeted in their department. They have to budget for that each year. The Department of Government Services provides sufficient money for these services, based on their best estimate of demands experienced in the previous year and what they expect and anticipate them to be in the coming year with regard to these particular items or services.

We encourage the departments and provide information to Treasury Board to try to have them insist, that whenever a department is expanding an area of service or a program, providing a new program, they include all of the costs of providing that program and they budget for them and identify them. So if they're going to need, for example, three new vehicles to deliver that program or more telephones or whatever, office equipment and leased space to house that personnel, all of those costs are identified in establishing that program and then conscious decisions are made by Treasury Board and Cabinet when they approve that new program that they approve also, all of the extenuating costs that come from that approval.

**MR. G. CUMMINGS:** Then the internal audit people who we were referring to a few minutes ago would not become involved in a decision of whether or not to supply that. That would have to be the audit people or the control people within the requesting department who would provide that information. Is that correct?

**HON. J. PLOHMAN:** I just wanted to clarify what personnel he was asking would get involved in seeing whether - the individual departments would obviously make requests on the basis of what they have budgeted in a year. At least, they should. But the department personnel in Government Services would only provide service that is within the guidelines that have been established by Treasury Board with input from Government Services initially.

So we would not, for example, provide a vehicle to a position that did not warrant it according to the guidelines. We would not provide certain other equipment that wasn't warranted or space that wasn't

warranted. So what there is, is a critical analysis done by the department. That's where we get into this whole area that I was mentioning at the beginning regarding the balance between service and control.

But there is more emphasis now on control and ensuring that departments are indeed adhering to guidelines when they make requests. We will also recommend other ways to do things in certain cases such as for finding space, a cheaper alternative than requested by a client department if we have some available or if we think there's another way to provide that space. So there is that element that is growing within a department to not just simply respond to client departments, but to actually critique that request.

**MR. G. CUMMINGS:** The Minister is getting at the core of my question. The audit function that was referred to earlier within your department, and you referred to having as a result of that improved the efficiency of the Disaster Assistance Boards and various other departments that were under the control of Government Services, I believe, does that department also conduct and give reports to client departments, if you want to call them that, on whether or not their efficiency in the use of the services that they're requesting from you is as good as it should be?

I understand from the Minister's answer that possibly that happened, but not all the time. Is that a fair assumption, or is that even a practice that the department gets involved in?

**HON. J. PLOHMAN:** We're not involved insofar as the internal auditor; that's the wrong place to be asking those particular questions. The internal auditor is concerned about the efficient operations of this department. The internal auditor of the Highways Department is concerned about the efficient operations of that department, and so on and so forth. That's why we have established an internal audit function, but that is not the one that rides herd on, if you want to call, or exercises some control on other departments.

We do that through policies established and through the personnel in each of the branches that provide the service, such as Telecommunications Branch or Fleet Vehicles Branch, Office Equipment Branch, Lease Space.

What the people in the Department of Government Services do is to offer advice and work with, in planning for space requirements and vehicle requirements and other kinds of things that are needed, working with the client department to alter their plans if they come in in a way that is extravagant in some way or does not meet guidelines, to ensure that they are coming in with reasonable requests.

**MR. G. CUMMINGS:** The reason I'm asking the questions, and it will be a basis upon which a lot of our discussion will centre in the next hour or so as we go through any of these departments, is the relationship between Government Services and the departments, and who is exercising the control within the government; because where you get into a grey area between two departments, as I'm sure the department is aware, that is where certain demands that may not be totally justified can slip through the system.

I'm trying to determine if Government Services, in fact, has a system whereby there is an additional screening of some of the requests that come in because that may be the final protection that "ye olde" taxpayer has out there, that we are efficiently managing the funds that we spend for government supplies.

**HON. J. PLOHMAN:** We have that function within the department on the basis of guidelines that have been established and through requests by Treasury Board. Treasury Board and I, as Minister of Government Services, sit on Treasury Board and are responsible to pass all financial items, or reject, or to question. They have quite a substantial number of staff in the Treasury Board area that work at getting information for Treasury Board Ministers to make decisions on.

So they do critiques of various proposals that come before Treasury Board and they will call on Government Services staff to provide information and opinion on whether a specific request is meeting guidelines or is according to the most efficient way that it could be done. The department does provide that information to Treasury Board.

So Treasury Board, in the final analysis, is the protective shield, I guess, for the public, in that is their responsibility to decide whether those requests are approved or rejected.

**MR. G. CUMMINGS:** One last question that I would have in that area relates to the transfer of those two staff years. We now understand the control that finance and budgets may affect on some of these requests. I'm a little surprised that is the area that was then able to give up two staff people, if I understood the Minister's remarks correctly. He doesn't have to respond to that unless he chooses.

**MR. CHAIRMAN:** The member still has the floor.

**MR. C. CUMMINGS:** No, Mr. Chairman.

**MR. CHAIRMAN:** I think you wanted to finish. Is that correct?

Do you want to clarify your question?

**HON. J. PLOHMAN:** If the member is suggesting that somehow now the finance area will not have the resources to do an effective job . . .

**MR. G. CUMMINGS:** I'm not suggesting; I'm asking.

**HON. J. PLOHMAN:** Yes. If he is suggesting and by asking the question, that is the suggestion, obviously the inference. The information I have from the department is that we are ranked No. 1 one for the whole government in terms of accuracy of preparing vouchers, the number of errors and so on, the least inaccurate, or the most accurate of all departments in that regard.

So that is certainly comforting at this particular time and I'd like to see how that continues over the next number of years. Also, in terms of time to process, we're about average in terms of the time to process vouchers.

**MR. G. CUMMINGS:** If I could ask one brief question, and I don't mean to reflect on the office of the

Lieutenant-Governor, but I understand this secondment is to the Lieutenant-Governor's office. Is that totally salary or is that other services as well that's included in that figure?

**HON. J. PLOHMAN:** Just in this figure.

**MR. G. CUMMINGS:** How is that handled? Is the department reimbursed? Are the rest of the staff also included in Government Services somewhere or are they handled in a different manner?

**HON. J. PLOHMAN:** My understanding is we reimburse the Federal Government for the salary component of \$43,500.00.

**MR. G. CUMMINGS:** That is the only involvement that the Provincial Government has, then, with providing services to the Lieutenant-Governor, or staff to the Lieutenant-Governor?

**HON. J. PLOHMAN:** There's a total of \$107.3 thousand that the Government of Manitoba pays for the Lieutenant-Governor, in this year's budget; last year it was 94.6. Two administrative support staff are involved there. The salaries total \$64,000; 43,000 of it is the Executive Assistant position we just mentioned.

There's fees paid that cover a monthly stipend payable by the province to the Lieutenant-Governor to help defray domestic expenses; fees for a live-in housekeeper; furniture and furnishings; a nominal amount for office furnishings; printing and stationery; yearly office requirement budgeted, 10.5, for example; postage and telephone; automobile expenses; the cost of two government cars; advertising; environment for exhibits; publication requirement; and unforeseen expenses.

It adds up to a total of 107,000 with 64,000 of it being salaries for two administrative support staff; that's for the Lieutenant-Governor. Then for Government House, which is something that the government has to upkeep, we have a building manager; we have to pay the salary for that. We also cover repairs and maintenance; communications - this is other telephone requirements for the house staff; building materials; utilities, and so on, \$64,000.00.

So the total expense related to the Lieutenant-Governor is \$171.4 thousand.

**MR. G. CUMMINGS:** Pass (d)(1) and (2).

**MR. CHAIRMAN:** (d)(1)—pass; (d)(2)—pass.

We now move to (e) Human Resource Services - the Member for Ste. Rose.

**MR. G. CUMMINGS:** In this area, Mr. Chairman, I would like to get some clarification. In the hiring practices that we referred to a few minutes ago, if I understand correctly, this would be the area that would do recruitment and selection, which I assume would be hiring, and would therefore be responsible for interviews and notification of same.

I guess to be quite specific, I've had at least one concern expressed to me whereby it seemed that the Department of Government Services set the date for

an interview deadline and indicated that there was some particular urgency to have the position filled, and then the person who applied was told well if you don't hear from us in 90 days, you will know that you won't be interviewed.

Perhaps that can be a version of the old if we don't call you, don't call us answer, I understand that. But where we were looking for highly qualified people in certain areas, I would question that kind of a time frame, inasmuch as people who are well qualified to fill certain positions are not going to sit around waiting to hear either a yes or a no. They will continue to keep their job search going. I wonder if we could receive a little bit more information on how those are handled, or perhaps I have the wrong information.

**HON. J. PLOHMAN:** Mr. Chairman, it should be emphasized that an individual who is interested in a particular job can be as aggressive as he would like in pursuit of that job, and can phone and ask what the status is of his application at any time to find out whether he's going to have a chance at it and make his own decisions.

If he can't get an unequivocal answer by somebody in personnel to tell him no, there's no way you're qualified, or for them to say yes, sit tight, we're probably going to be asking you for an interview - I don't think they'll probably say that - but they would screen the applications and then would determine the best qualifying people and would conduct interviews - and there may be a need for follow-up interviews that are needed. So from the time the initial posting of the position to the actual filling, it may take 90 days. It would safe to say if you haven't heard from us in 90 days, you can assume you didn't get the job.

I think most people would assume long before that, that they didn't have the job because they would have been called for an interview long before that period of time. So they would make that assumption, but if they're unsure, they can simply phone and find out whether interviews have been conducted, and if that's the case then they would know immediately that they weren't considered because they weren't one of those interviewed.

But I don't know that it's feasible to say that all those piles of applications, that somebody should write them a letter and say, this will notify you that you have not been considered for interviews. They will just call those people who are.

**MR. G. CUMMINGS:** I guess, and I'm not trying to raise a red herring here, but it is a concern that the question that flows from that type of a situation is that, how many people from outside of Government Services have, in fact, an opportunity or a realistic chance of ever obtaining management level positions when they're advertised within the province?

The question arises - if you don't have the figure - I'd be interested if you do have a percentage of applicants who do not work their way up through the ranks.

I guess the concern of those who are applying from the outside, they see the jobs advertised and when they know that there's a considerable length of delay before a decision is made, that perhaps the decision

has been made in advance - this is the allegation that they would lay - that the decision is in fact been made in advance and that the advertising of the position is simply to fulfill a requirement of supposed open competition for the job.

It's very serious allegations, I realize, against the department. I wonder if you could respond to that.

**HON. J. PLOHMAN:** The member has thrown out a number of ideas in the one question. I would not condone that practice at any time just to simply justify the selection of an individual by holding a mock competition, if that's what he was suggesting, and I would say that is not done; that is not an ethical way of doing things.

The fact is, people in the department may have an idea that they think a person would be good for a particular position, but he's got to apply for it, he's got to be interviewed, and you never know who else is going to show up in the competition. It's quite possible that somebody more qualified and better credentials, more experience or whatever, might indeed get that particular job. We've had situations where people have been acting in positions, and then when the competition was held, have not won the competition.

We have people brought in from outside through competition as well like George Bridge (phonetic) here who just was hired from Alberta this past year. In Gerry's case, I think, he was from Finance where there was another person in the department acting in that position, and yet Gerry was selected as a result of the competition. I don't think you can ever predict those things. There may be, as I say, if people have - sure they're pre-conceived ideas perhaps sometimes on the basis of who they know is available, but there's always other people that show up.

**MR. G. CUMMINGS:** Then I would only ask, does the department within a reasonable length of time, establish a short list and notify those who are, in fact, on the short list? Is there a time frame within your hiring practice that you can tell us about?

**HON. J. PLOHMAN:** I think it would vary depending on the position and the workload and the number of positions they're endeavouring to fill as to how long it would take before that short list is established, but yes they would establish a short list and advise those people that they are being called in for an interview if they so desire.

**MR. G. CUMMINGS:** I wish to belabour it no longer except to add one more point of clarification as to why I asked the question, and that is the individual who had approached me was told that within 24 hours of the closing date, there were no other applicants or almost no applicants for a job and still could not receive within 30 days or so any kind of indication where the department was at in establishing a short list. That leads to frustration for some fairly highly qualified people.

I'm not suggesting it's an ongoing problem in the department. I've mentioned it, you now know the possibility exists. I leave it there.

**HON. J. PLOHMAN:** Well, Mr. Chairman, I would ask if the member wishes to pursue that specific case any

further, that he would bring us the particulars and we could look into that.

I can just say though that sometimes there are competitions held for positions and then a number of positions are filled from that one competition. Say, if there's a number of security people needed or a number of cleaning people needed, they will have one advertisement and then fill, by order of priority, according to the best candidate first. It will fill a number of positions, rather than holding another competition.

**MR. D. ROCAN:** I believe the Human Resource Services, one of their operations, is a coordination and integration of an effective, practical, departmental Affirmative Action Program. Could the Minister tell us if he has seen any positive developments in this area?

**HON. J. PLOHMAN:** Mr. Chairman, in the Affirmative Action area in the department there was a total of 102 permanent position vacancies filled in 1985-86; and 12 percent of those or 12 candidates came from target groups under the Affirmative Action Program: five visible minorities; two Natives, four women in under-represented categories; and one handicapped person, for a total of 12 under the general competitions.

In addition to that, the department has also undertaken to identify a number of term staff positions to act as training positions. Five staff years were committed to this Affirmative Action Program in this past year, and they hope to do more in the coming year.

There were 19 Affirmative Action candidates employed in these term positions as clerk typists, secretarial, security, trades helpers, building service workers and storekeeper positions. Eight have continued their employment in the department, 1986-87. This helps prepare them for other positions that come open in the department for permanent positions. So these are five that are kind of training positions and we hope to see more of that in future years, to enable people who are from affirmative action groups, from individual groups that are disadvantaged, to gain permanent employment status in the department.

I understand, Mr. Chairman, as well, that Government Services has a full-time coordinator for Affirmative Action and was one of the first of the government to have a plan developed and approved by the central Affirmative Action Committee of the government.

I mentioned the part about the training, several positions being identified for training purposes. We also have purchased a teletype device for the deaf for the Human Resources Services Office to enable deaf applicants to better access job information.

They are endeavouring to learn more about the whole area of affirmative action to put in place better employment practices and programs, to stimulate more movement in the department, to conduct outreach activities, and special measures to monitor our progress in this area.

**MR. G. CUMMINGS:** Where does that leave the department in terms of overall positions? Are you anywhere close to target numbers?

**HON. J. PLOHMAN:** This is a long-term program. It would take perhaps 15 years to bring the department

into a position where the distribution of people who are hired from various groups reflect societal distribution of those groups.

**MR. CHAIRMAN:** (e)(1)—pass; (e)(2)—pass.  
(f) Systems - the Member for Turtle Mountain.

**MR. D. ROCAN:** I believe this is the area where we have the use of computers. Could the Minister tell us if all the computers are tied into a data-base services, or are they free-standing?

**HON. J. PLOHMAN:** Mr. Chairman, I'm informed that they're basically classified as free-standing systems, but there is a capability to integrate them, if required. There's a study being undertaken to determine where it would be advantageous to integrate certain systems which are there.

We have in place a fleet management information system for all the government vehicles, a property management system that is in place, one on personnel information, a common material identification system for supplies, a purchasing information system, an inventory management system which is being developed this year.

I think those are the major ones. In Administration, there's an integrated financial system study that is being undertaken, as I said earlier, to look at how all can be integrated, the potential being there for that purpose.

**MR. D. ROCAN:** Under Systems, it conducts systems feasibility studies. How many computers do we have at present right now under Government Services?

**HON. J. PLOHMAN:** The Department of Government Services does not supply the word processors and computers for government use. I just want to clarify that point. That is done through the Information Management Systems section in the Department of Finance at the present time. So this department does not provide that particular piece of equipment, which is rather an anomaly. We do all of the electronic typewriters and other office equipment but that particular one has not yet been integrated with Government Services insofar as supplying the needs and assessing the needs. That's an area that is being studied in terms of who should have it, Finance or Government Services, at some time in the future.

I hope that there will be an integration of that function, that the supply of computers will be integrated with office equipment, but at the present time it's separate. I just wanted to clarify that and if there's still questions about what Government Services uses, as a department, then we can answer.

**MR. D. ROCAN:** Government Services, did you ever convert your system over to an HP-3000?

**HON. J. PLOHMAN:** The HP-3000 is used presently for the common material identification system and the purchasing information system. They're looking at adding to that the office equipment inventory management systems, if feasible, but that's not done at the present time. The one, as I indicated, is common material identification system and purchasing information.

**MR. D. ROCAN:** I'm curious as to how you can use a computer in the planning of purchases. Can the Minister elaborate a little bit on this?

**HON. J. PLOHMAN:** This allows us to maintain a standard list of suppliers and specifications for materials, and it automates the purchasing process function from the tender call to the awarding of the contract. It also allows for the efficient collection of statistical data for management decisions on what is required for purchasing.

**MR. CHAIRMAN:** 1.(f)(1)—pass; 1.(f)(2)—pass.

We now move to Resolution 76, No. 2. Property Management, 2.(a) Executive Administration - the Member for Ste. Rose.

**MR. G. CUMMINGS:** Mr. Chairman, do we have a list that is readily available of the buildings that the Manitoba Government leases across the province? At this point, just give us a number of how many it would be.

**HON. J. PLOHMAN:** I would assume, Mr. Chairman, that the Member for Ste. Rose has gone right down to 2.(d) Leased Properties? He has passed all of the other

...

**MR. CHAIRMAN:** To the Member for Ste. Rose, Leased Properties is item 2.(d). We are on 2.(a). Do you have any questions on 2.(a)?

**MR. G. CUMMINGS:** I had a note written, a general question under the Property Management, I'm sorry, Mr. Chairman. Because of the tie-in that this department has with Manitoba Properties Inc. and the fact that there are other committees sitting tonight, I wonder if the Minister would indulge us, to move down to 2.(d)(1) and 2.(d)(2) and let us deal with that prior to the 5:30 break, and then it would be out of the way for after supper.

**MR. CHAIRMAN:** We'll be moving forward to 2.(d). We're dealing with 2.(d)(2) then, which is the Other Expenditures under the Leased Properties. Is that correct?

**MR. G. CUMMINGS:** Right. If I could just lead into that topic. Mr. Chairman, as I mentioned in my introductory remarks, in Bill 20, we see where there will be some ability now of Manitoba Properties to construct. That leads to all sorts of interesting ramifications about the relationship between Manitoba Properties and Government Services.

Can the Minister explain what will happen in relationship to the services that Government Services provides presently, i.e. engineering, architectural, those sorts of things? Will they now be something that will be supplied as a gratis service to MPI? Can he explain, or has the government even gone far enough to consider what some of those connections might be?

**HON. J. PLOHMAN:** At the present time, we are not billing MPI for services provided by the government, by the department, services that are conducted in-

house. However, outside consulting services that are undertaken would be billed directly to MPI on works that they would be undertaking.

**MR. CHAIRMAN:** The Member for Morris.

**MR. C. MANNESS:** Thank you very much, Mr. Chairman. Using the footnote on Page 79 of the Main Estimates, indicating that \$58.96 million is directed towards Manitoba Properties Inc. and given that this is over 50 percent - well, not quite, I take that back - just under 50 percent of the total appropriation within his own department, I would ask the Minister how these payments are handled.

Is it one lump sum that is accounted for as a cash transfer out of his department directly to MPI, or is it a series of cheques on some monthly basis? Does the cheque in question, paid out by his department, does it cover all aspects of the MPI agreement between the government and that organization; in other words, the portion that is directed towards preferred shareholders, and/or the interest that is lodged with the government? The \$59 million is broken basically into two portions. I'm just curious as to how it's accounted and how it's handled mechanically within the Department of Government Services.

**HON. J. PLOHMAN:** Mr. Chairman, the \$58 million is a rental payment that we pay to the corporation. The Department of Government Services pays those to the corporation at the end of each quarter of the year. Then what they do with that money, of course, is a matter that you obviously have explored, I believe, with the Minister of Finance in terms of how they operate and what that particular payment goes toward.

They become revenue of the corporation, I understand, and I would assume that, as in the private sector, MPI's receipts from the government would support and be applied to debt servicing costs of any debt on the properties that they pertain to.

**MR. C. MANNESS:** Then in summary the Minister is telling me his department directs four cheques totalling whatever the footnoted value is, or will direct a value equivalent to 58.96 million using four different cheques and that then will be the total involvement of his department.

**HON. J. PLOHMAN:** That's my understanding and I want to also add that I believe during the discussion of Estimates, the Minister of Finance indicated that the majority of the 59 million of rental payments, which is approximate, would be directed towards payments to the preferred shareholders and administrative costs associated with Manitoba Properties Incorporated.

**MR. C. MANNESS:** Mr. Chairman, I will spare the Minister rehashing a lot of the discussion that is on the record put there in our discussion with the Minister of Finance. I would like to know how the Department of Government Services placed values on these various buildings, a list of which has been provided to me by the Minister of Finance, how the Department of Government Services, I believe, placed values on the buildings that were disposed of to MPI.

**HON. J. PLOHMAN:** The first thing that is done, Mr. Chairman, first of all, classifying the buildings as to whether they have market comparables or whether they should be classified as special purpose buildings.

For market comparable properties, an annual current fair market rental rate was assigned to each building. This annual rental was divided by capitalization rate of 9 percent, which is deemed to be fair return, to approximate a total property value. Applicable land values were estimated at their current value and deducted to arrive at what the building valued at.

For special purpose properties, the building replacement value was used to determine building value, the replacement of that facility, if it was a jail or whatever other public building, that he could not make a comparison with.

Again, the current land values were estimated separately at fair market value and added to the estimated building value to produce a total property value.

**MR. C. MANNESS:** Mr. Chairman, the Minister is indicating then, that firstly, there was a formula basically in place; secondly, that his department was basically in charge of developing the formula and therefore putting it into operation and coming up with some global figure of value for each piece of property.

Would he indicate whether or not this is general practice within the business community and furthermore whether any outside appraisers or estimators were brought in for their general impression, or their general determination as to whether that approach was proper and correct?

**HON. J. PLOHMAN:** I understand that the staff of Government Services arrived at this method in conjunction with the Department of Finance and their accounting firm that was involved with the development of MPI; and that this was done according to what was deemed to be a realistic return for investments such as the 9 percent for a fair return that was arrived at, in complete compliance with the accounting firm's directions.

**MR. C. MANNESS:** Mr. Chairman, the Minister says the accounting firm. Does he mean the accounting firm or does he mean the investment firm? Because the investment firm are the people who are dealing with the Department of Finance. The accounting firm, of course, deals specifically with the Manitoba Properties Inc.

**HON. J. PLOHMAN:** It's the Government Services . . . that we're talking about.

**MR. C. MANNESS:** I'd ask the Minister whether titles to these properties have, in fact, been registered now in the name of Manitoba Properties Incorporated?

**HON. J. PLOHMAN:** This is an ongoing process at the present time.

**MR. C. MANNESS:** So the Minister is indicating that, in fact, the title now for these properties will be held by Manitoba Properties Incorporated once the orderly flow of that activity is completed?

**HON. J. PLOHMAN:** That's my understanding, yes.

**MR. C. MANNESS:** Mr. Chairman, what is Manitoba Properties - and I know the Minister isn't the Minister in charge of Manitoba Properties Incorporated - but I would want to know specifically, who is making the decisions with respect to the development procedures, that Manitoba Properties Incorporated is now beginning to undertake and which it appears is using some of the services of the Department of Government Services?

Indeed my colleague asked in his very first question in this area what costs were being charged. But I would like to know who is giving direction as to the development that Manitoba Properties Incorporated does on government property and then leasing out to the province on what is called a triple net basis. So I would ask that general question firstly, Mr. Chairman.

**HON. J. PLOHMAN:** Mr. Chairman, this is the area that we are just getting into and procedures have to be standardized, but certainly the intention is that Government Services will continue to be the development department insofar as this is concerned, with MPI being the funded agency for some of the construction. The priorities will be established by the Department of Government Services and then, as a result of those priorities accepted through the Estimates process, then a determination will be made with MPI as to how much funding has to be provided, how much loan authority.

**MR. C. MANNESS:** Mr. Chairman, but nobody has ever explained to members of the House and certainly not to members of the Opposition, why it is that MPI, Manitoba Properties Incorporated, now is going to be doing development. That has never been explained. Maybe the Minister would care to take a few minutes and provide the rationale for that particular new Crown corporation of government doing development work versus the Department of Government Services, where that activity has been housed for some period of time. Maybe the Minister could provide the rationale.

**HON. J. PLOHMAN:** Well, Saskatchewan has just gone into this as well and I guess B.C. has gone further. Both of them have gone further in actually making the corporation a development agency.

But several factors have been taken into consideration up to this point in terms of making a decision to fund major construction projects by MPI, through Manitoba Properties Inc. We recognized that major capital assets should be treated on a uniform basis with respect to title and funding source.

Secondly, an initial charge to the appropriations according to construction cash outlay would result in double-counting if the appropriations were subsequently charged with lease payments after the properties were transferred to Manitoba Properties Inc., which would be the case if the construction dollars were coming from Government Services initially and then lease transferred to Manitoba Properties Inc. paying leases on those.

A further consideration is the fact that financial statements of the government will now reflect its

liabilities on a basis which is more in line with its assets. That is, in the past, funding requirements for construction projects would have shown up as a liability on the books of the province. However, noting that accounting policy of the government provides for only the reflection of cash equivalent assets within its books, the building itself would not have shown on those financial statements as an asset. It, furthermore, permits both the assets and their related liabilities to show in the books of the Manitoba Properties Inc., both the assets and the related liabilities, which also makes sense.

I also understand that during the discussion of the Standing Committee on Public Accounts that the Minister of Finance indicated that it was his intention there to provide some form of consolidation of the statements of Manitoba Properties Inc. with the statements of the province.

**MR. C. MANNESS:** Mr. Chairman, that he did, after some considerable questioning within the area and a realization, indeed, I daresay, also by the Minister of Finance that we were setting up another Crown corporation, one which he didn't understand either, the ramifications or where it would lead, and certainly the financial considerations that had gone into place in setting up that particular Crown corporation.

Mr. Chairman, I'm glad the Minister has put these four or five reasons for allowing MPI now to become involved in development on the record. The one that struck me the most obvious, as he read them out, was the fact that this would now allow Government of the Day to set aside or remove from the main Estimates the costs associated with building government buildings, that indeed now it would not be shown. As this government has done over the last three or four years, took great pleasure in pulling capital away from budgetary, but now they don't even want capital shown within the same main Estimates of spending. It will now become, I suppose, a cost associated with the activities covered under MPI.

Now, the Minister can say Saskatchewan and Alberta or some other province do it in this fashion, Mr. Chairman, but the second or third reason given by the Minister was that we had MPI and we had to go through this very difficult arrangement of leasebacks, and that was the reason. Well, Mr. Chairman, those provinces, the Province of Saskatchewan didn't even have MPI for the purpose of raising capital, I understand, up till here a few months ago. They may have had an MPI form there that did nothing more than build buildings on behalf of the government.

So the Minister giving me the logic that we'll do this so we'll cause to have removed from forthcoming main supplies footnotes that sort of muddy up the whole thing, using his rationale, to prevent that we now will have, and seeing we have this problem, we'll now allow MPI to do the constructing too — (Interjection) — the financing. Well, but, of course then, the government has to provide loan authority for them to do that financing.

So, Mr. Chairman, I would think, and I would ask the Minister, given this revelation, why the government wasn't so forthcoming and forthright to make this announcement by way of press release and give the

people of Manitoba some indication that it was now going to handle the building of properties and public facilities in this fashion, because this is a large departure from the tradition and the way financing of buildings has occurred in the past.

I ask the Minister why his department, and indeed the Premier, wouldn't be more forthright in this manner in now creating a Crown corporation that not only is in place to borrow monies but, secondly, in place to now construct buildings?

**HON. J. PLOHMAN:** We have to distinguish between constructing, developing and funding. The member continues to use constructing buildings. What we're talking about is a funding agency which would be accountable to the Legislature through The Loan Act and the loan authority being requested where details could be asked of the Minister of Finance when he tables those loans. So, certainly, that part of it is covered.

I guess I preferred to drop the bombshell at the committed here today instead of issuing a news release. It certainly is something that wasn't hidden — (Interjection) — well, the members of the Opposition — (Interjection) — yeah, right. It is earth shattering, according to the Member for Morris, and I just wanted my colleagues to be aware that this was now taking place, that we have announced that we may be using this as a development agency. I don't think there was any secret because the loan requests were clearly shown and the footnotes in the Estimates, I think, would have indicated that the government was moving in that direction.

**MR. C. MANNESS:** Mr. Chairman, the first indication that we had that MPI would be involved in any developmental costs was, firstly, in reading the Annual Report of MPI, which was not given to us, by the way, until the Estimates of the Department of Finance.

Secondly, Mr. Chairman, the Minister can say that we'll have an opportunity to look at the costs associated with the building, but it will no longer be in the consideration of the Department of Government Services Estimates.

It now then will have to be held at one of the committees, at which time maybe - and maybe the government is considering calling before the committee as a separate entity Manitoba Properties Inc., I don't know - but now that it is taking on the full activities of a Crown corporation which is borrowing money for the purposes of constructing government buildings within the Province of Manitoba, it obviously should have that type of focus at a committee hearing.

I, therefore, would ask the Minister, even though he's not responsible for MPI, whether it's the government's intention to allow that type of scrutiny of MPI at committee.

**HON. J. PLOHMAN:** I think one point I should make in all seriousness is that it has been an evolving process since MPI was first established last year to save interest costs for the government - it's certainly not a secret - and we are looking at all of these matters carefully.

The Minister of Finance would probably be in a better position at some point to answer whether that particular

method outlined by the member would be followed for future discussion of MPI. But certainly under The Loan Act the opportunity is there for the members.

**MR. C. MANNESS:** Mr. Chairman, this year under capital within this department, there is an expenditure of \$13.5 million. I would ask the Minister, most of this capital expenditure, will it be shifted to MPI?

Mr. Chairman, I do see the footnote and it does answer the question.

Then as a final question, Mr. Chairman, I take it then when I review from this point forward the quarterly financial report of the Province of Manitoba, that no reference - or the quarterly or indeed the year end - no reference within this document will be directed toward or related to capital expenditures within the Department of Government Services.

**HON. J. PLOHMAN:** I think that's again a question that the member should ask the Minister of Finance but it wouldn't be quite true insofar as this year is concerned because there is still \$13 million worth of capital in Government Services and there always will be some for repairs and maintenance and so on that is required by Government Services. So that statement would not be true in its entirety.

**MR. C. MANNESS:** Next year then, Mr. Chairman, if the figures were the same, \$12.5 million . . . first of all, there wouldn't be a footnoted amount to capital because that number would then no longer be at a level greater than \$12 million or \$13 million or whatever the inflated value would be over the years to come?

**HON. J. PLOHMAN:** I anticipate that the - and I'm advised by my staff - that they would consider that note should continue to be there.

**MR. C. MANNESS:** Mr. Chairman, I just want now to ask a question specific to how it would be that the Department of Government Services would have control on Manitoba Properties Incorporated, to build the buildings that the Government of Manitoba wanted.

Now, obviously the Manitoba Government is in control of MPI but would that process now have to flow through the Department of Finance or through whatever Minister was answerable for MPI? Or will the Department of Government Services be able to have a direct contact with MPI to tell them what buildings it is that they want built, what grounds it is they want developed or what project it is that they want developed?

**HON. J. PLOHMAN:** Government Services staff will have to work with MPI staff, which is Finance Department staff, in deciding on the administration related to construction of new buildings and as to how the dollars should flow. The decisions obviously will be made by Cabinet and by a subcommittee of Cabinet that deals with the capital expenditures, in which I am a member.

**MR. CHAIRMAN:** The Member for Ste. Rose.

**MR. G. CUMMINGS:** Mr. Chairman, in view of the fact that the Minister just said that the MPI staff is Finance

Department staff, and if MPI is now going to be entering into a construction phase it would seem to me a conclusion that would be very logical to draw from all this, is that a natural progression will now be that MPI will become a Crown corp because it's going to be caught juggling between Government Services and the Finance Department. If in fact that happens, then that becomes a worse case scenario for some of the concerns that we have over control of construction and financing and the linkage there, too.

**HON. J. PLOHMAN:** Mr. Chairman, I think that kind of discussion should be undertaken with the Minister of Finance. He's the Minister responsible for MPI.

**MR. G. CUMMINGS:** Is the Minister of Finance now designated as the Minister responsible for MPI?

**HON. J. PLOHMAN:** Yes, always has been since its inception.

**MR. G. CUMMINGS:** Can the Minister tell us what is being considered for MPI to be involved in the construction aspect? It's legitimate to ask in this department then, what projects are being considered because certainly any projects that the government is going to be considering will flow from this department. So this department is going to be directly involved.

**HON. J. PLOHMAN:** Under the proposed loan act or authority, in that the \$12,500,000 and the \$25,000,000 which is the future requirements, we have the existing Law Courts Building completion, the Land Titles renovations, the Manitoba Development Centre Physical Activity Vocational Training Building at Portage la Prairie, the new Remand Centre, Southgrove renovations . . .

**MR. G. CUMMINGS:** Excuse me, Mr. Minister. If I might, Mr. Chairman, the list the Minister is reading - is that the list that we have under Contracts in the back that Government Services is presently dealing with?

**HON. J. PLOHMAN:** Some of them will be because a lot of them are ongoing over a number of years. So we're dealing with their various phases of construction here . . .

**MR. G. CUMMINGS:** I'm sorry, can we have that list tabled then please?

**HON. J. PLOHMAN:** This particular list, I think I can give to the members. I don't know if they want it read out. It deals with the current cash requirements for 1986-87 which is 12.5 million, and also the future requirements, which is 25 million, to complete those projects. That gives us the 37.5 million.

**MR. CHAIRMAN:** The Member for Morris.

**MR. C. MANNESS:** Mr. Chairman, why now then is MPI going for loan authority beyond 12.5 million? Why such a large amount in excess of that?

**HON. J. PLOHMAN:** The loan authority continues from year to year, and they're going for the full authority to

complete the projects that are on the books at the present time. In addition to that, if there's any additional authority in future years, obviously we'd have to come back and justify it at that particular time.

Having that much authority, Mr. Chairman, also allows the government to take advantage of situations which might develop throughout the year for additional facilities or buildings; for example, an office building, if it became available on the market at a reasonable price and was cost effective, the government could purchase that kind of a building under that loan authority as well, but that could be done through MPI; that's one other option.

**MR. CHAIRMAN:** The time being 5:30 p.m., we'll adjourn the proceedings at this point. We can continue on Item 2.(d), if that's the desire of the committee. We will reconvene at 8:00 p.m. in Room 254, so if you have materials you wish to leave, take them with you, do not leave them.

Adjourn till 8:00 p.m.

## SUPPLY - NATURAL RESOURCES

**MR. CHAIRMAN, C. Santos:** Committee of Supply, please come to order.

We have been considering the Estimates of the Department of Natural Resources. We are now on Item No. 9.(a)(1) Wildlife, Administration; Salaries, 9.(a)(2) Other Expenditures - the Member for Springfield.

**MR. G. ROCH:** Thank you, Mr. Chairman, to the Minister.

I have a few concerns with, or I should say constituents of mine have got some concerns, in the Cooks Creek area - by Cooks Creek I mean the creek itself not the community - with beaver dams. I understand that a ministerial order was given sometime ago to remove the dams and they were to be removed in August. It was noted that the order should name the conservation district instead of the Water Resources Branch to remove the beaver dams. Has this been done?

**MR. CHAIRMAN:** The Minister of Natural Resources.

**HON. L. HARAPIAK:** Mr. Chairman, I'm wondering if the sound was on. We were having some difficulty hearing at the front here. Could we check that and perhaps have the member repeat the question?

**MR. CHAIRMAN:** Would the Member for Springfield kindly repeat the question?

**MR. G. ROCH:** Okay, Mr. Chairman.

I was saying there are some people living along Cooks Creek where there's been problems with beaver dams. I understand that sometime ago a ministerial order was given to remove the dams. These dams were to be removed this month. The conservation district noted that the order should name the conservation district instead of the Water Resources Branch to remove the beaver dams. I was just wondering if this had been done.

**HON. L. HARAPIAK:** Mr. Chairman, I can recall signing an order but I cannot verify at this time whether in fact the dam has been removed, but we could check that with our regional services people.

**MR. G. ROCH:** When an order is signed, who then is responsible for removing the beaver dams? I believe they use explosives for that.

**HON. L. HARAPIAK:** Mr. Chairman, my understanding is that the responsibility rests with the jurisdiction which in this case would be, I believe, the Cooks Creek Conservation District. But we have assisted in cases where we have trained people so that our staff, a trained staff person from the Department of Natural Resources may have participated in this, but the responsibility rests with the local jurisdiction, which in this case I believe would be the Cooks Creek Conservation District.

**MR. G. ROCH:** Then they are correct then in stating that the order should have named them. By them, I mean the conservation district instead of the Water Resources Branch. Was that an error on the department's part?

**HON. L. HARAPIAK:** Mr. Chairman, I would want the opportunity to review the order but in terms of responsibility, the responsibility is with the local jurisdiction.

**MR. G. ROCH:** Then if I understand correctly, if the responsibility lies with them, then they should have been named. But am I correct then in understanding that before, even though it is their responsibility to do it, they do need ministerial approval before any such dams are removed?

**HON. L. HARAPIAK:** Mr. Chairman, that would be necessary only if there was a question of access, if there was some difficulty in access. But if they had jurisdiction on the waterway and they did not have any difficulty with access, they would not have to seek ministerial approval. I think if in the case that is being referenced, if I recall it correctly, there was some question of gaining access and the ministerial order authorizes that access.

**MR. G. ROCH:** The Minister has no doubt received a petition signed by numerous residents that live along the Cooks Creek area. The petition was sent to the Department of Natural Resources as well as the conservation district to remove the dams in section 31-11-6E in the Cooks Creek area.

If I understand correctly, then the ministerial order was to give the people responsible for removing the dams access to property. Does that give these people permission to cross anybody's property to go to these dams?

**HON. L. HARAPIAK:** Mr. Chairman, my understanding is that it is, the order is site specific, that it would allow them access to a specific site, not access to any property at all.

**MR. G. ROCH:** It is my understanding of the situation that the majority, if not all the dams, are on the NW31-

11-6E on the western half. But there's been a property owner there who has put in a complaint because apparently the staff of the - I would assume the Water Resources Branch - have been crossing his property from the road to the creek during all this and he's getting quite upset over it. He's also claiming that with the continuing explosives going on that it's starting to cause damage to his buildings. Is there any way that this can be resolved?

**HON. L. HARAPIAK:** Mr. Chairman, I am aware of a specific case from that area where there has been a longstanding disagreement. Some years previous in fact, there was some repair work done to an individual's residence as a result of some problems that arose from removal of beavers. But I am not sure if the member is indicating that there is a more recent problem that is not being dealt with. If the member wanted to indicate that or more of the specific details on it, we would pursue it further.

**MR. G. ROCH:** I am not sure if this is the same individual that you're referring to because I am not aware of the previous case. But this particular incident is more recent and he does claim that there has been damage. What I would be interested in knowing is: Where would he turn to or who would he contact to get the compensation that has been awarded in the past to other people?

**HON. L. HARAPIAK:** Mr. Chairman, if the individual is alleging that the activity of the department caused this damage and he wanted to pursue responsibility, I think directing that information to the Water Resources Branch or to myself personally would see that it was looked into.

**MR. G. ROCH:** I thank the Minister for that information, because he apparently is upset that all this has been going on, does not want the staff to go across his property but apparently they have been going anyway. So I don't know if they received permission from the department, from the Minister, or if they're just doing it regardless.

**HON. L. HARAPIAK:** Mr. Chairman, that does in fact point out a bit of a dilemma that we face at the department when, for example, in this case I'm assuming it's the Cooks Creek Conservation District which is having a problem with beavers, and as a result of that flooding that imposes a problem onto the surrounding farm land. So there are people with an interest in having the beavers removed and in some instances we require access to private property to be able to deal with the problem.

Certainly we want to, if at all possible, access this on the basis of people being prepared to grant this access but if there is no choice in a particular instance, if there is only one particular route, in order to serve the interests of a larger number, we might in fact find ourselves aggravating a single individual. So it is a dilemma.

**MR. G. ROCH:** Mr. Chairman, I realize that, but it's always possible that there's more than one access. But in cases where there is no choice and an individual's

property must be used to gain access, he is entitled to compensation if there's any damage done when the staff does indeed go across his property.

**HON. L. HARAPIAK:** Mr. Chairman, it would seem reasonable that if damage occurred as a result of this, the person should be able to submit a claim. But certainly, we would want to see evidence of that damage. If we could have the specifics in this case, again, we would be prepared to have somebody look into it.

**MR. G. ROCH:** Mr. Chairman, I thank the Minister for that information, and I will be directing the individual to the proper channels.

To get into a little bit more detail on the beaver dams themselves, as I mentioned awhile ago, there's been an ongoing problem in the Cooks Creek area with these dams. It's to the point where numerous people have signed a petition demanding that the department remove all the dams, because it is creating many hazards out there. Is there any way possible that apart from going in there and dynamiting them every year this whole situation can be prevented in the future?

**HON. L. HARAPIAK:** Mr. Chairman, the problem that is described by the member is not unique to that area. We do have problems with beavers in various parts of the province. The point I would like to make is that - and I think it would be generally supported - simply going out and removing the dams or dynamiting the beaver dams in itself does not deal with the problem, in that the beavers being the industrious beings that they are very quickly re-establish themselves in another location.

So I think in those areas where there is a problem, attempts have to be made to reduce the beaver numbers. Frankly, that is the focus that the department would like to take. We would deal with the question of numbers of beavers, rather than simply dedicating effort to removing the dams - most commonly I think people think of these as being dynamited - dynamiting the dam and simply having the beavers rebuild them. So that would be our focus.

**MR. G. ROCH:** Mr. Chairman, I'm glad to hear that because if I understand correctly then you're saying the department is taking action on trying to prevent the problem from occurring time after time. Did I understand you correctly when you mentioned that you're looking at seeking to reduce or remove the number of beavers in the area so that there would be less or fewer dams being built as time goes on?

**HON. L. HARAPIAK:** Yes, Mr. Chairman, that is the direction we want to move, but I want to not leave a false impression in the sense that it would be direct participation by departmental staff which will result in that. I think we want to work together with people who have an interest in trapping, where possible, to harvest these animals for the value of the fur. We recognize as well that there are considerable variations not only from year to year, but within a given season. So to the extent possible, we would like to work with bona fide trappers or perhaps put in place some special programs to encourage young trappers to become active in

particularly the problem areas to reduce the number of beavers, particularly where they are a problem.

Just a further point that I would want to make in this respect though, even in areas where there is a problem, there is a difference of opinion amongst some of the landowners where some of the landowners are quite happy and, for the purposes that they have in mind, they want to have the beavers on their property or have some means of retaining water. The beavers provide that just through their natural activity, so there is often a difference of opinion between landowners.

Then the other problem that arises, and we want to be careful particularly when it comes to removal of dams, removal of a beaver dam can cause some flooding though it may alleviate flooding upstream from the dam, can cause some flooding downstream. So we have to be careful in any kind of efforts to remove those obstructions.

**MR. G. ROCH:** Mr. Chairman, I realize that, but I think here it's a question of not just one or two dams; it's a question of an excessive amount of dams.

I'm just wondering, I'm glad to hear that preventive measures will be taken, and I assume that - well, they'll be mostly for next season now rather than this season. But in those cases where dams do get built - and let's face it, some will get built or overbuilt I should say - is there any possible way that the department can move faster in removing these, rather than waiting weeks and weeks and then to the point where people get all riled up and start complaining and sending petitions, etc.?

**HON. L. HARAPIAK:** Mr. Chairman, again I want to make it clear that the department does not have jurisdiction over all of the waterways. So certainly, in those waterways which are the responsibility of the department, if there's an indication that we are not moving quickly enough, if those can be brought to our attention, we will make that assessment.

But there are municipal waterways and waterways under the jurisdictions of other bodies, so those particular authorities have to deal with the problem in the stream under their jurisdiction. So if it is a stream under our authority and if we are not dealing with it quickly enough, certainly draw those to our attention.

**MR. G. ROCH:** Mr. Chairman, will the Minister then be responding in a short while to this petition which was received by his department advising these people of the information that he has provided to me today?

**HON. L. HARAPIAK:** Mr. Chairman, I am not aware of that petition specifically; it may be in my office. But I will make a point of asking for it and respond to the petition. I'm not sure if the petition is simply drawing the issue to our attention, or if it is asking for specific action. If it is asking for specific action, I would want to read through it carefully to determine, firstly, whether it is in fact our area of jurisdiction before committing the department to dealing with the problem.

**MR. G. ROCH:** It's a short petition. I can read it to you. We still hope that you look for it.

It just says: "We, the undersigned, petition the following Government of Manitoba agencies: the

Department of Natural Resources; Water Resources Branch, Natural Resources; Cooks Creek Conservation District No. 5, Natural Resources, to remove beaver dams in Section 31-11-6E in the Cooks Creek Conservation District, such that normal drainage is provided for the low-level crossing on Oakwood Road correcting this hazardous situation." It's signed by numerous residents of the area.

Basically, it's a question of the dams having been built time and time again, even though some have been removed. The problem seems to be a continuous one, and it seems that often the case is the slowness in getting these removed, especially in cases where they need to be dynamited. I would hope that in the future, first of all, the preventative measures do work and work well, and in cases where they do not work that fast action is taken to correct the situation because it is a problem.

**HON. L. HARAPIAK:** Mr. Chairman, it would be helpful to us if we could have the date of that. Secondly, the only point that I would want to review in that it references the Cooks Creek Conservation authority and ourselves. The dam itself and the waterway is probably under the jurisdiction of the Cooks Creek Conservation District, and they would have to be the lead agency in that. But certainly, if there is a role for us to play in supporting their efforts, we would be making ourselves available.

**MR. G. ROCH:** Yes, Mr. Chairman. The date of that was August 7 and copies were sent, apart from myself, to the Honourable First Minister, yourself, the Honourable Minister of Natural Resources as well as Mr. J.T. Stefanson, Mr. T.E. Weber, Mr. B. Lussier and Mr. E. Fowler. I would imagine that one of your departmental staff must have a copy of it.

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Chairman. I want to first of all support some of the comments made by my colleague, the Member for Springfield. I don't want to belabour it. I just want to enlarge on it a little bit. The beaver problem is a general problem; it's not just restricted to one constituency. I think many of the rural members run into problems of that . . .

I'm just wondering if there's consideration being given by the department in terms of a general control program on beavers. They don't classify under the predator control I suppose, but maybe there should be some thought given in terms of developing a program because it's affecting most of the rural areas. Many of the people who are being affected by it have difficulty knowing how to cope with it.

First of all, the blasting of beaver dams is certainly not in everybody's category to do that and it shouldn't be. The other thing is just the blasting of the dams does not necessarily resolve the problem because these are great engineers, better than possibly even some we have in Water Resources, no reflection maybe but they're great engineers, they rebuild pretty fast. I'm just wondering if we're at that stage because it seems to be escalating on a yearly basis to maybe consider a control program on a bigger scale than we are right now. Right now it is my understanding the department

is dealing with the cases on an individual basis where the complaints are. But I'm wondering if we maybe are at this stage where we have to look at a more general program and whether the department is considering something like that.

**HON. L. HARAPIAK:** Mr. Chairman, perhaps before I answer that question specifically, I'd want to take a moment to introduce to the people the staff members that are here today. I think Rich Goulden was with us the other evening; he's the Director of the Wildlife Branch; Dale Stewart is one of the Assistant Deputy Ministers and Peter Lockett, who's the Director of Financial Services for the department, assisting me today.

The Member for Emerson is correct in pointing out that this is not a problem that is confined to a specific area. I think there are many areas throughout the agricultural regions, particularly where they border forested areas which are a natural habitat for beaver, that there are beaver problems in the surrounding areas.

I've had a number of meetings with people, particularly from the northwest region of the province where I come from, the municipality surrounding the Duck Mountain which is a natural habitat for beavers. I've had as many as six reeves I believe in my home at one time discussing the issue. We were to have had a meeting again in the month of August but because of different circumstances we were not able to have that meeting, but we were discussing that very issue; what kind of an approach could be taken to minimizing the impact of problem beavers in the agricultural areas. There were several points that were being brought forward for our consideration.

We, the department, have committed ourselves to further meetings with those individuals in the fall of the year. The departmental staff has developed some information for me already and is bringing forward further information in terms of assessing the extent of the problem and the effectiveness of different possible approaches.

As the Member for Emerson has indicated, there are variations from year to year, not only in terms of the natural cycle that the beaver population goes through; it varies with conditions of water and it varies with market condition, where the market condition is such this has helped, price may be fairly attractive. There is an incentive for people to remove the beaver. There are more taken by way of trapping activity. So there are several dimensions of this to be considered, and it is being actively pursued.

**MR. A. DRIEDGER:** I think the Minister's comments, the fact that he had six reeves visiting with him and expressing concerns at one time illustrates exactly what I was saying. Many of the people really don't know how to cope with something like that. Because both water and beaver are natural resources, there's a tendency then to expect some kind of direction from the department and that's why I would encourage an expansion of maybe developing some kind of a policy which could then be made available to make most people aware of it, especially municipalities. I think that's probably the first ones that always get approached, and from there on it mushrooms to the Minister's

department. So I would certainly encourage some development in that direction.

**HON. L. HARAPIAK:** Mr. Chairman, just a brief comment that I wanted to make.

I just received a note here indicating that the petition that was referenced by the Member for Springfield is in my office at this time. So it has been received and it will be followed up. There will be a response to that.

**MR. CHAIRMAN:** The Member for Niakwa.

**MR. A. KOVNATS:** Thank you very much, Mr. Chairman. This is the first opportunity that I've had to participate in the Minister's Department of Natural Resources. I want to take the opportunity of congratulating the Minister on his appointment to this department.

Mr. Chairman, in years past, when we get into this department we have discussed many wide-ranging things, and my background being from the city, I've taken a special interest in this particular department, particularly when we get down to the prairie skink, when we get down to the prairie skink. It's a little lizard as the Honourable Minister knows and it's a protected species here in the province. It's an endangered species, and it's under protection here in the province. Every time we get down to this department I get up and I've got a few questions to ask because of the uniqueness of the skink; not to be mistaken for the skunk. It's spelled s-k-i-n-k. As I say, it's an endangered species and has been protected in the province.

I wonder if the Minister can advise how long it has been protected and whether in fact the protection has increased the numbers to the point where they can be taken off the protection list and used as pets in pet stores and things of that nature. Can the Honourable Minister advise whether in fact the numbers have increased so that they are now no longer required to be on the protected list or at least some of them to be taken off of the protected list.

**HON. L. HARAPIAK:** Mr. Chairman, I want to indicate to the member that the information I have here indicates that it's been on the protected list for some five years, certainly that the numbers are not at the point where we would remove it from the protected species. It's still on the protected species list.

**MR. A. KOVNATS:** Can the Honourable Minister advise what type of protection these animals have now? Is the monitoring of their numbers being carefully looked into, particularly in the Lauder Sand Hills, Oak Lake, Carberry, Sprucewoods areas. I don't think I have to have it broken down specifically by numbers, but I'm really looking because I think there's a big industry that could take place with this. We have an area in Manitoba that's famous for garter snakes. I see what happens in the Town of Selkirk where they look to call themselves the "Catfish Capital of the World," and we have a Garter Snake Capital in Manitoba.

Are we looking to make some location, in which I suggested of the four locations just previously mentioned, the Skink Capital of Manitoba?

**HON. L. HARAPIAK:** Mr. Chairman, I wouldn't want to leave the impression that there's going to be a big

industry built around this particular creature, but I'm told by staff that it is featured in the Sprucewoods area. In some of the information that is shared with people there, they are advised of its presence. It is very difficult to observe. In fact, some years ago, it was somewhat by accident that people even became aware of its very existence. So it is, as the member points out, an interesting sort of creature, but its numbers are rather small yet and we will be retaining it on the protected species list.

**MR. A. KOVNATS:** Mr. Chairman, I am advised that there are some studies and surveys going on right now under the sponsorship of the World Wildlife Fund. From what I'm led to believe, Mr. Chairman, is that the numbers are increasing. I would hope that these people who come into to do surveys on our skinks, keep the Department of Natural Resources apprised of the situation because I think that it could make a tourist attraction and we're always looking for ways to generate business here for the province. I was hoping that the Honourable Minister would be more aware because of the uniqueness of this prairie skink.

I could probably go into a little bit more detail and advise the Minister, but I'm sure that the Minister knows that it is a lizard when it really comes down to it and, when pursued, it can release its tail if caught by the tail and grow another one. So it's kind of an unique type of animal which would make a tremendous-type pet.

I just wonder whether the Honourable Minister can advise whether the species in Manitoba are the ones that are born fully formed or are they the ones that are born by eggs?

**HON. L. HARAPIAK:** Mr. Chairman, the Member for Niakwa is forcing my hand. I have to admit very limited knowledge in this matter, and I would take that question as notice and advise tomorrow.

**MR. A. KOVNATS:** Mr. Chairman, I really wasn't trying to embarrass the Minister. I happen to be an authority on skinks - Manitoba skinks that is - and I would just like it, as being part of his department, to let him know whatever information that I have I can impart to him, as Minister of Natural Resources, and just getting started, that I'd be fully prepared to cooperate with the Minister so that we can preserve this animal and increase the numbers so that we can start a great industry in allowing these animals to be pets and possibly even a location that could be called the "The Skink Capital of Manitoba" and possibly even the world.

I thank you, Mr. Chairman.

**MR. CHAIRMAN:** The Member for Portage.

**MR. E. CONNERY:** Thank you, Mr. Chairman. I've got an issue that I think "stinks."

I'd like the Minister to confirm that the Americans coming in can only hunt ducks and geese in the morning.

**HON. L. HARAPIAK:** Mr. Chairman, that is true. There are areas designated where there is morning hunting only. Staff is getting that information for me here now.

While that information is being sought for me, I would like to table the information we promised in response

to some of the questions raised on Tuesday evening with respect to licence sales, and this is for the Middlebro outlets or the Middlebro areas. We have that information to share.

In addition, we have documents where there were questions that we said we would table information dealing with the Manitoba Water Commission, the Whitemud court case and a number of others; so we will table that as well.

Mr. Chairman, I would refer the member to the Game Bird, Big Game and Hunting Season Guide which outlines these, and it does indicate that in Zone 4, duck hunting is restricted to mornings only, up to and including the 17th of October. Beyond that date, there is not that restriction, I understand, and this is not a practice that has just been introduced. It is a practice that has been in effect in different areas for some time in an attempt to reduce the hunting competition on the population.

**MR. E. CONNERY:** Can the Minister tell me the number of American hunters versus native Manitobans or Canadians?

**HON. L. HARAPIAK:** Mr. Chairman, with respect to the number of hunters who are non-residents, we have a copy of the annual report from the previous year. If the member would just wait for a moment, we could, I think, get the information.

We have a lot of statistics on licences, different types, but that information we can't break out at this moment. We will get it for the member for tomorrow. Perhaps he could clarify: was he interested in the number of non-resident game bird hunters in all of Manitoba or in certain areas? If he could specify that, that would be helpful.

**MR. E. CONNERY:** The reason, just as an explanation, Mr. Chairman, to know the kind of percentages of American hunters versus Canadian. When we have the American hunters only being allowed to hunt in the morning in certain areas, I want to know if this is really logical in that we would do this. So the numbers are rather important to have some comparison to know where we're going on it.

**HON. L. HARAPIAK:** The information that I have, Mr. Chairman, from 1984-85, indicates for game birds, there were 34,234 licences for non-resident Canadians, there were 858; but non-resident non-Canadians, there were 3,582. So it would appear, in the overall numbers, that approximately 10 percent of the non-resident non-Canadians held the game bird licences.

**MR. E. CONNERY:** I think what we're seeing here is that 10 percent of the hunters aren't going to have that great of an effect on the take, only 10 percent of the people. But what happens, I think the Minister should know, Mr. Chairman, that this has affected the guides and the lodges out in the areas of the marshes. The St. Ambroise area, where there's a lot of people who fish in the wintertime and do guiding in between and it's a good off-season income for them, they have lost up to 50 percent, 60 percent of their bookings. It's almost decimated the guiding and lodges for the duck season.

**HON. L. HARAPIAK:** Mr. Chairman, I want to point out that I think the numbers that I shared can be a little bit deceptive in the sense that it is simply an indication of the number of licences held. That information does not indicate the amount of time spent by somebody who holds the licence. I think we are aware that somebody coming in as a non-Canadian, having travelled some distance, would probably spend a more concentrated period of time hunting. So the raw numbers would not be an accurate reflection of hunting pressure.

The other point that I would want to make, keeping in mind the interests of the lodge owners who would probably prefer not to see that there and it may in fact attract then more non-resident, non-Canadians, and it would be to their advantage, we would have to be conscious then of the impact of that on the resident hunters. I should point out to the member that all of the regulations that we develop with respect to hunting has a close input, or we discuss this closely with the Manitoba Wildlife Federation. They represent a large percentage of the resident hunters and there is full support from the Manitoba Wildlife Federation for the regulations that have been put in place.

I respect that there will be a difference of opinion and that lifting the restriction might, in fact, serve the interests of the lodge owners somewhat better but we have to be concerned about the overall hunting community, not a specific element of it.

**MR. E. CONNERY:** Mr. Chairman, the Minister has just straightforward said that he's concerned because there's more votes among the resident hunters than there are in the few lodges and guides. So politically it was a good move to make. So, sacrifice a few people, which has been the case with this government so many times. Where are the votes? That's the direction we'll take.

Does the department, Mr. Chairman, have a bird count of the take? People send their licences back in. Do they not have a count on the birds and species that have been shot? They should have a breakdown on the American versus Canadian hunters.

**HON. L. HARAPIAK:** Mr. Chairman, I would want to check the record a little more closely but I think if we reviewed it, the Member for Portage would find that there were some similar restrictions - I wouldn't say they were identical - but similar restrictions on hunting by non-residents, not just during the tenure of this government but when the members in Opposition were in government, there were similar restrictions.

So let the Member for Portage not indicate that it is a political decision. I think that is rather a shallow comment to make, to suggest that the decisions made with respect to game take would simply be on the basis of numbers, where the greatest numbers of votes were. Surely, if the Member for Portage is suggesting that all of the membership of the Manitoba Wildlife Federation is a supporter of this government, I would be delighted to take that support. I think that the membership of that organization is broadly based, not only in terms of its political views, but I think in terms of its interests in the wildlife out there.

I would venture to guess that we would have more unanimity amongst the Wildlife Federation with respect

to this particular position than we would on the politics, as suggested by the Member for Portage la Prairie.

**MR. E. CONNERY:** Did the Minister come up with the numbers that are taken? You do have a count on the birds that are harvested each year, do you not?

**HON. L. HARAPIAK:** Mr. Chairman, that information is obtained by the Canadian Wildlife Service. It does field surveys, field counts, and they provide the information to us. We don't have the information here but we would be glad to provide that tomorrow.

**MR. E. CONNERY:** Mr. Chairman, to the Minister, wasn't it just last year that this restriction came in, that the Americans could only hunt in the morning?

**HON. L. HARAPIAK:** I don't believe that is the case but I could research that and find out when it was implemented and include that with the information that we would submit.

**MR. E. CONNERY:** I know it was just recently. If it wasn't last year, it was the year before, because out on the hustings, before the election and during the election, there was a lot of concern in the St. Ambroise area, which is part of my constituency. These people depend very heavily on the guiding and people coming to their lodges, and also for tourism. These people, these hunters coming in from distances stop, and maybe stop over in Winnipeg, Brandon, and different places, and the hotels and so forth do get a lot of people staying. It's a good tourist dollar for us, too.

I think the Minister, when we find the numbers, and of course, as we're going to have a lot of time at this point, we'll be able to discuss it when the figures are brought to us and maybe we can rehash it.

**HON. L. HARAPIAK:** As I indicated, Mr. Chairman, we will research the information to determine exactly when that came into effect.

Surely the member is not suggesting that we disregard the interests of the domestic hunters and address only the interests of the lodge owners. I suppose we could do great wonders for the people who are the lodge operators if we restricted the domestic hunters and said that we will restrict it for the non-residents. It would be great for that industry, I'm sure. But it is a question of retaining a balance between the interests of the lodge owners and the resident hunters.

I want to share some additional information here in terms of the total harvest for 1984 and '85. We do not have at this time a breakdown of resident and non-resident but there were 215,000 ducks and 170,000 geese harvested in 1984 and '85.

**MR. E. CONNERY:** I assume, Mr. Chairman, the Minister will be getting the figures for the American hunters? You will be able to get that breakout? I think it's important that before we get way off on a tangent, that we have some idea of the take and I think we should know what the American take was before the restrictions went in and what it did after.

I think, Mr. Chairman, the Minister should keep in mind, too, when we talk about the lodge people and

he said there's a balance, but that is their income, their livelihood. It's very nice to just say, well, you're going to lose half your livelihood at the stroke of a brush. It's not great for the people who are affected. It may not be a lot of people but it doesn't matter if it's one. If it's my income that's affected, it hurts.

**HON. L. HARAPIAK:** Mr. Chairman, some additional information that I can share with the member. We've just been able to gather the information here. It indicates, as I had indicated earlier, that 10 percent to 12 percent of the waterfowl hunters are non-residents. Their percentage of the harvest - 20 percent of the duck harvest is by non-residents. So this points out that they are more efficient in terms of time. When you compare the number of hunters to the amount harvested, whether through more efficient use of time or spending more time, there is a greater harvest per hunter for the non-residents. So, approximately 10-12 percent of the number of hunters are non-residents, but they will harvest about 20 percent of the ducks.

The other information I have here is in terms of the number of American hunters. There was a decline from 1984 to 1983 of about 40 percent; there was a decline in the number of American hunters.

**MR. E. CONNERY:** Mr. Chairman, '84 to '83, did I hear the Minister say?

**HON. L. HARAPIAK:** '83-84.

**MR. E. CONNERY:** There was a decrease of 40 percent, and this would likely be the year that the restrictions came in then and the Americans didn't bother coming up. So that would indicate that there was a lot of tourist dollars and a lot of other money that was lost to the areas.

**HON. L. HARAPIAK:** Mr. Chairman, I certainly wouldn't want to suggest that this kind of a restriction or requirement would not discourage some people from coming, because if they had the opportunity to hunt all day, it may be more attractive for them than if they were able to hunt only for the half-day. So, I'm not suggesting that may not have any bearing on the numbers, but I think there would certainly be other considerations in terms of the distribution of waterfowl and what the prospects were for numbers in the different areas available for hunting, so I wouldn't want to suggest, that by and of itself, that was the reason for the decline.

**MR. E. CONNERY:** Mr. Chairman, while the Minister is gathering information, I would like him to find out for me, for this Committee, the year and the time of the year the announcement was made that there would be morning hunting only for non-Canadians?

**HON. L. HARAPIAK:** We will get that information, Mr. Chairman, but I think it's important to note for the Member for Portage la Prairie, that — (Interjection) — in fact, the take, the bag limit is not cut in half; so that the bag limit is not reduced by half when you go to a half-day hunting, but you're restricted to that particular half-day and that reduces the competition for the spaces

between the resident and the non-resident hunters in terms of the choice locations. So, it reduces that pressure, but the bag limit is not cut in half.

**MR. E. CONNERY:** Then, I don't know if the Minister understands why these people come up into Canada for hunting while they are wanting to get a number of birds - that is one of the reasons - but I think the biggest reason is to enjoy the outdoors and then the freedom that they have up here in our marshes.

I think that if the kill isn't that great in the afternoon, why doesn't he let the American hunters carry on. They don't want to go out in the boat if they haven't got a gun with them. They want to be able to shoot the odd bird that comes around, but by restricting their time to only half-a-day, you have hurt the industry. I think now your arguments are going to the point that you haven't reduced the kill by that much, by a half, but you've reduced the hunting time by a half and because of it, you've lost a lot of hunters. Mind you, this government doesn't like Americans.

**HON. L. HARAPIAK:** Mr. Chairman, I have a suggestion for those non-resident hunters who feel that there isn't enough to do in the area that the member is referencing. In the area that I represent, they have full day hunting, but even if it were restricted to half, there's excellent fishing. So, they could hunt in the morning and fish in the afternoon. So though I say that somewhat in jest, I think the member should be aware that this restriction applies where the greatest competition for the hunting spaces exist, as far as the duck population, and that's in Zone 4, the southern part of the province.

This does not apply throughout the province and it might encourage some of the non-resident hunters to utilize the areas further to the north where there isn't that extensive pressure. So I think we do, as managers of the resource, have to be sensitive to the extent of the hunting pressure, and making some assessment of that, if we can put in place some measures which will distribute the hunting pressure more equitably, I don't think that we should shy away from it.

**MR. E. CONNERY:** So, the Minister is right. It was a political decision, because now he's pushing the hunters into NDP constituencies.

I would think that the Minister of Native people would be concerned also, because I think there's a lot of Native people that are guides, but maybe in the areas where they're guiding, they do have all day hunting. I would ask the Minister to take some consideration of it, take a look at the bag limits and whatever and keep in mind that there are some people hurting bad out in the lodges.

**HON. L. HARAPIAK:** Mr. Chairman, I don't think that it is at all a question of bag limits, because as I had indicated earlier, the bag limit is not reduced. The bag limit is not cut in half when you have half-day hunting, so I don't think it is a question of bag limits.

I want to indicate that when I was referring to where they might hunt, I was referring to all zones north of the most southerly zone and not all of those are represented by people on this side of the House. There is an equitable distribution.

As well, I wanted to indicate that non-residents, where I indicated that there was a decrease in numbers - non-resident hunters, let's say, between '83 and '84 - from between '84 and '85, the numbers were coming back up again. I don't have the exact figure, but it was increasing. We will get the information in terms of the implementation date of that policy and share that information tomorrow. But over that period of time where it was in effect at one point, the hunters are obviously coming back again.

**MR. E. CONNERY:** Mr. Chairman, I wonder if the Minister and his department have surveyed the Delta Marsh and the condition the Delta Marsh is in and the effects that it is having on the duck population, the breeding of ducks at the Delta Marsh.

The research station at Delta has done some work on cells, the lowering and so forth of water, and I know they did one project out by St. Ambroise where they lowered the water and then brought it back up, and they brought the thing back to life again. Do you have any plans now for the Delta Marsh?

**HON. L. HARAPIAK:** Mr. Chairman, I'm advised by staff that those conditions are being monitored by the Delta Waterfowl Research Station and they share the information with us, but we do not have any specific projects in mind at this time.

**MR. E. CONNERY:** Mr. Chairman, I would ask the Minister, though, to take a look at it, because we know that since the Fairford control went in and we're maintaining the level at a high level, the lack of the marsh going down and resowing itself is where the major problem is.

It's also affected the muskrat take. There's virtually no muskrats, and in the trials at the research station, in their cells, they found that the muskrats would just repopulate like crazy. For these people in the St. Ambroise and around the marshes between fishing season was another source of income for them.

The ducks have not done well in the marsh since the water levels have been controlled. It can be done. It would cost some amount of money to lower sections and then fill them back up again, but if we don't do something, then the total marsh, in their terms, is dying.

**HON. L. HARAPIAK:** Mr. Chairman, certainly we are conscious of the impact of water levels on marsh health. As the member has pointed out, there are certain conditions that are required to maintain a healthy and active marsh.

There may be some observations that he would want to continue to share with us with respect to Delta, and we will be conscious of the information from the research station. But I want to point out to the member that in other areas, we are actively involved in improvement of habitat, so we certainly want to have people aware that we are conscious of the need for good habitat for waterfowl and other species. In terms of the activities with waterfowl habitat, I think we've done quite a good job, really.

**MR. CHAIRMAN:** The Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman.

I wanted to raise a matter that I have raised before on several occasions in the House and I raised it in my speech on the Budget this year, and I'm sure the Minister - I hope took note of it - is the problem with the elk damage surrounding Spruce Woods Park.

I don't think I need to go into the whole history of the problem. The Minister should have in his possession a brief which was presented to Mr. Uskiw when he was the Minister. It was presented on the 3rd of June 1985. I'm sure staff would provide him with a copy, so I shouldn't take the time of the House to go into all that again.

But there still is a problem there, and there is a committee doing a study to see what they can come up with by way of information and assistance to the Wildlife Branch and recommendations on that matter. They will probably be making their report to the Minister in due course.

I did want to ask just a few questions on this. One of the problems that has been cited to me, and I think was included in the brief, was the problem of the early season with bow hunting. I noticed in a press release of June 20, 1986, that the bow hunting in Spruce Woods Park is to be from August 25 to September 27. I think if the Minister noted that, as I said before, that is one of the problems that the landowners cited was the early season, as it's harvest time and the elk get spooked by the hunters. They do cause a great deal of damage in fences and so forth, and I'm wondering if there was any thought to changing the timing of that season.

**HON. L. HARAPIAK:** Mr. Chairman, certainly, as the member has indicated, there is a problem, a fairly localized problem in that area, but a problem nonetheless, and a committee is working at trying to resolve the problem.

I'm having some difficulty with the notion of the bow hunters spooking the elk and causing the problems. Two points I guess I would like to make - and I'm not familiar with the geography of the area. It would seem to me that hunting pressure may in fact keep the elk population from the farm area and tend to keep them back to the wooded areas. Just by the very nature of bow hunting being a very solitary quiet kind of a hunt, I would have some reservations that that would contribute to the problem. I could be more appreciative if it was a hunt of a different nature.

**MRS. C. OLESON:** That's just one of the problems through you, Mr. Chairman, to the Minister, and it does cause a certain amount of problem. Of course, that's the season when the crop is maybe most vulnerable to damage.

I haven't got the press releases with me, but there are other seasons coming on the heels of that one that do cause a problem. Then, of course, the landowners also complain about the landowner permit too, in that they're allowed to take an animal, but on their own property. Of course, they may not be finished harvest by the time this season comes along and the elk may have been pestering them all season on their property, but not one shows up when they have landowner licence, and that is a bit of a bone of contention. They feel that perhaps they should be allowed to take an animal even if it isn't standing directly on their property at the time.

But earlier hunting, they do tell me, is a problem and it causes the elk to move a bit more because of the pressure on them. It causes them to go through fences instead of around them, which they might normally do when they're quiet, although elk are not prone to jumping fences like deer. They just take the fence with them, and many, many feet of fence at once. When you're harvesting, you're not really wishing to be off the combine fixing fences every day.

**MR. CHAIRMAN:** We are now approaching Private Members' Hour, what is the will of the committee?

**MR. A. DRIEDGER:** Mr. Chairman, I believe there's an understanding to do away the Private Members' Hour and continue with Estimates.

**MR. CHAIRMAN:** Is that agreed? (Agreed) By leave. The Honourable Minister.

**HON. L. HARAPIAK:** Mr. Chairman, again I think it should be noted when the member refers to problems arising out of hunting that the hunters require the permission of the landowners. Now, I know that sometimes a problem arises when they're hunting in the adjacent area, and if there is pressure, that the game could in fact move through the area even if the hunter didn't. But I just wanted to note for the record that is a requirement, and I think most hunters observe that requirement. They will ask for permission to utilize an area.

With respect to the landowners having the opportunity to hunt - I've heard that comment and I'm conscious of it - but the landowners who have that opportunity are generally fairly aware of where the game is and I think most of them could find an hour, perhaps in the early part of the day, to take advantage of the opportunity that might be available to them. But I, too, have heard that comment.

**MRS. C. OLESON:** I think if the Minister had been present when the committee was in to talk to the former Minister, they made it very clear to him what the problems were, and the Minister says, well, the hunters come and ask permission. Well, my response to that is the hunters may but the elk don't ask permission where to go; they go where they please and that is the problem. There seems to be increasing numbers. They're driven out of the park by the shelling from the military at Shilo, which I guess was their natural habitat, and they've split into several herds which are causing problems. But I won't go into all that litany; I'll let the committee bring forth those findings for themselves and the numbers. But I did want to know how much was paid out in elk damage last fall in that area, or do you have it broken down into areas of the province?

**HON. L. HARAPIAK:** Mr. Chairman, we don't have that specific information broken out here, but we will get it and make it available to the member.

**MRS. C. OLESON:** All last year's payments with regard to damages, have they all been paid?

**HON. L. HARAPIAK:** Mr. Chairman, to the best of knowledge and to the best knowledge of the staff we

are up to date, but if there was a specific case that was not up to date that the member is aware of, she could advise us.

**MRS. C. OLESON:** Mr. Chairman, in the Estimates Committee of Agriculture, I pointed out to the Minister of Agriculture some of the problems that the farmers have in collecting damage, and the reporting of, and the process they have to go through with regard to the crop insurance people. I hope that the Minister's department will be getting together with the Department of Agriculture to maybe smooth the path, shall we say, in those claims, because it becomes a problem at a busy time of year, filing the claims, going through the mechanics of it. Also, I'm told by the crop insurance people that they do all this paperwork and send the information in, but they never have any of the information back from Natural Resources as to what happened, how many reports were filed and how much money each case was granted.

So I would just remind the Minister to get together with the Minister of Agriculture and see if that could be made a little smoother and more efficient for the people that are having to claim damage.

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Chairman. I want to thank the Minister for the information that he forwarded to me. I must say I'm very surprised with some of the figures that are presented here.

I want to just refer back and make one comment on the fact, based on the information on the sport fishing licence for the southeast corner, and I look at Middlebro where we have \$109,000 worth of fishing licences sold in '85-'86. That is just Middlebro. The other two communities listed in there are not as substantial.

With that information, I want to just reiterate my request to the Minister about the possibility of considering expanding the opportunities in the southeast corner, specifically the road from Middlebro to Goulds Point. I think that would just accelerate the numbers even more. The fact that there's that amount of money being spent in fishing licences in the specific corner, I think would justify expenditures to some degree. So I would encourage the Minister in that regard to maybe have a look at that as I had requested.

Mr. Chairman, when we rose the other day, I made reference to the Minister, just briefly, that I would like to be dealing with the wildlife toxicology fund. I'm wondering if the Minister could indicate whether the Department of Natural Resources, in conjunction with the wildlife toxicology operation - I think it is the Canadian Wildlife Association that is involved with that; I can get that information right away - World Wildlife Fund. I wonder if the Minister could indicate whether the department entered into an agreement with the World Wildlife organization under the wildlife toxicology fund.

**HON. L. HARAPIAK:** I just want to indicate to the member that we have been involved in discussions. There is a request for funding to involve both the Department of the Environment and the Department of Natural Resources, but that is still under review. The

project is certainly a worthy one, but we are faced with funding pressures and we'd have to make some decisions as to how it could be accommodated. But that is under review at this time.

**MR. A. DRIEDGER:** Mr. Chairman, I don't know whether the Minister has acquainted himself with exactly what has happened in this particular situation because I have a memo here in March from a Mr. Owen and I think Mr. Carter was involved. It is a Treasury Board Submission regarding a cost-sharing agreement with World Wildlife Fund Canada and it indicates on here that this approval is required prior to March 31, 1986. I believe there were signatures made on behalf of certain people on documentation.

The costing participation of the whole thing was laid out quite specifically on a total project cost of \$197,000.00. The Province of Manitoba was supposed to pick up about \$104,000, leaving \$14,000 to be able to be put in for this year and then I think the balance of it spread over two years. The Minister is telling me that because of monetary restraints that they have not entered into a program of this nature.

Is that what the Minister is telling me?

**HON. L. HARAPIAK:** Mr. Chairman, I think as the member indicated, there was a memo dated in March, I believe; so, certainly, in terms of preparing for different issues, memos are drafted, submissions are made and some are approved, some are not. This particular item did not obviously get approval at that stage, but I am indicating here that we are still involved in discussions on some possibilities.

**MR. A. DRIEDGER:** Mr. Chairman, is the Minister indicating that this kind of arrangement is still being contemplated or has that thing been dropped now?

**HON. L. HARAPIAK:** It has not been dropped; it is still being pursued.

**MR. A. DRIEDGER:** I don't know to what extent the Minister, Mr. Chairman, has acquainted himself exactly with this study that this was supposed to involve. It's just a little while ago that on radio there was reference made to, for example, the decline of one of our protected species, the burrowing owl, and when we allotted the Minister and his department on the spraying for the spruce wood budworm, but I believe it is this kind of a study that would give better indications in terms of what spraying does, whether this is what's in danger. That's what the whole study was about.

The fact that the World Wildlife group was involved in terms of doing these kinds of studies and it would be cost-shared certainly would be tremendously beneficial to have entered into that agreement. When we talk of the funding initially, and I think the commitment was made. I don't know, if I was in this organization, whether I'd even want to be bothered talking to this government after the semi-commitment that was made, or virtually a commitment was made, and the funding for this year was \$14,000.00.

It brings me back to the point that I made with this Minister initially when we started this House that unless he was going to be strong within his own Cabinet in

terms of the requirements of certain things, that he would be led down the garden path and he'd come out on the short end of the stick. That's what's happened in many other categories.

And here we see another prime example of a very worthwhile project which this year would cost the government \$14,000 and has been scrapped - cost-sharing - a very worthwhile thing. Certainly, if nothing else, the Minister of the Environment should have kicked in some money to cover this end of it because it is jointly between the Manitoba Natural Resources Department and Environment and Workplace Safety and Health, and both agreed that this is a worthwhile project. Then, because the Minister of Natural Resources can't find the funding, the Minister of the Environment, I guess had the same problem, and as a result we scrap a very worthwhile project. Mr. Chairman, I'm unhappy with that kind of an approach. Certainly, between the two departments, they could have dug up \$7,000.00. They squander more than that on any stupid thing.

I'll give an example: I have here in my hand a release from August 15th where it indicates the trapping fees have gone up. When we look at the fee structure within the Department of Natural Resources, our licensing structure, it's been going up in almost every category. We have the trapline permits increased from \$3 to \$10, the resident trapping licence from \$2 to \$5.

We have the royalties on pelts, and this apparently is a good year for the fur industry again. The royalty will increase from 1 percent to 4 percent. They were scratching and charging people extra for all avenues where they can and then when it comes to a program like the toxicology program there and they can't come up with \$14,000 and it's most unfortunate.

While I'm on the trapping licence increase, Mr. Chairman, I wonder if the Minister could indicate whether those funds, the increases, are they going to be used specifically for the enhancement of fur, for the fur industry, or is this just going to go into the common coffers where this Minister is raising funds and is getting it slapped off into other directions.

**HON. L. HARAPIAK:** Mr. Chairman, there are two points that I want to react to: firstly, the question of the toxicological, the fund. Certainly that's worthwhile research, but I do not want to leave the impression on the record that we are not prepared to do so. We said that we are still considering it and I'm hopeful that we will be able to have some level of participation.

The member mentioned the article on the burrowing owl. There was a reference said of it and even the weekend newspaper - that this particular species was at risk. We are concerned and we are sharing information with other agencies. We have access to information. We have a good working relationship with the World Wildlife Fund and we do not see that this is in jeopardy. Certainly we do have limited funding. We do not have unlimited funding and we will continue to pursue that.

Now I'm pleased to be able to make some reference to the trapping fees, because the member having referenced those I think would want to leave on the record that in some way we have been unfair to the trapping community.

That fee schedule was developed in close consultation with the Manitoba Registered Trappers Association, and I think if the member checks with the Manitoba Registered Trappers Association, he will find from their last annual meeting that there was very extensive support for this.

That fee schedule, I'm told, was virtually unchanged for some 24 years and the trappers themselves said we have a responsibility to contribute some revenue to the province. It's not earmarked specifically for enhancement, but it should be pointed out that there is far more going into the fur industry in Manitoba than is received by way of the licences and the royalties.

So though the percentage increase may appear large, when you take a look at it in terms of absolute dollar increases and the period of time that it is intended to cover, it is a very reasonable increase and I want to make known to the Member for Emerson - and he may well be aware that this item was covered off in a news item in the print media but it was also covered on CBC Radio - and the president of the Manitoba Registered Trappers Association on Tuesday morning spoke very strongly in support of this fee change.

So if the Member for Emerson is unhappy with the fee change he is, I think, not aware of the position taken by the majority of the members of the Manitoba Registered Trappers Association who see this as their opportunity to contribute to the general revenue of the province, a province which contributes far in excess of this amount to the fur industry, an industry that we consider to be a very valuable industry in Manitoba.

**MR. A. DRIEDGER:** Mr. Chairman, I was not being necessarily critical of the increase in there. I just raised the question with the Minister whether that money that was going to be raised was going to be retained in the fur industry to enhance that any further because we have increases all over the place and I'm sure that in many cases where we have increases, that people don't mind if they knew where this was going, or what the funds were going to.

I'll just give an example. In an article last December where the then Minister, Sam Uskiw, indicated an additional \$120,000 had been added to the annual \$200,000 Waterfowl Crop Damage Prevention Program. I think initially, when we started off with the wildlife certificates, that these kind of moneys would be used for crop damage, waterfowl damage. That was at a time, Mr. Chairman, when the wildlife certificates were \$5 each. I believe they're at \$7 right now, because I raised that about the illegal increase of \$2 in the wildlife certificate when the Order-in-Council was only passed in February. If we had used the amount of certificates that were sold and the money was used for waterfowl damage, that would have raised \$341 based on \$5 a piece for last year.

So it's this kind of thing that people, hunters and sportsmen don't mind paying to some degree providing that this know where this money goes. But if it is sort of used in a general pot and then we can't even cover off the involvement with the toxicology fund, that starts raising suspicions in people's minds. It's this kind of attitude that creates concern.

While I'm on my feet, Mr. Chairman, I want to raise another issue, basically dealing with the grant for habitat

corporation. Mr. Chairman, I believe this worthwhile act, The Habitat Heritage Corporation Act, was passed a few years ago and at that time there was a commitment made that the government would fund it to the tune of \$250,000 the first two years and then it would be increased to half-a-million in the third year. That was the arrangement that was made.

But what do we get on August 15? I get a copy of a news release and it indicates \$250,000 grant for habitat corporation. I suppose it's like beating around on a wet rag, I suppose the same story will come forward. The commitment was made for half-a-million, and here they cut back to \$250,000.00. I wonder if the Minister could explain what happened there.

**HON. L. HARAPIAK:** Mr. Chairman, when the Member from Emerson is expressing dismay that we don't target some of our revenues specifically back to the department, I think that he should look back at the history of that particular approach and see when that process was terminated.

There was a period in time when revenues were earmarked and went to a specific fund. But I think if he checks back he will see that it was during the administration of the members opposite when that process in accounting was changed and when the revenues from specific sources went into general revenue and then it was paid back. So if he is critical of that kind of an approach with respect to resource revenue, he is as much critical of members on his side of the House as he is on this side. So I personally don't have any real difficulty with that approach as long as out of general revenue there is fair and equitable funding for these.

Now I'm pleased to be able to refer to the Habitat Heritage Fund, a new organization that was brought into being by this administration to ensure that there was an opportunity for people to become involved in the preservation and enhancement of habitat throughout the province and the Habitat Heritage Corporation was formed.

I met only yesterday, or the day before, with the board from the corporation, people who are very pleased with the kinds of activities that they have been able to undertake, activities that are new and innovative, activities that weren't previously undertaken, whether it is the enhancement of big game habitat - and I know the Member for Emerson has a particular interest in big game habitat - we can refer to projects that are being considered in terms of enhancement of elk habitat, or deer habitat, or moose habitat. Perhaps the member would want to refer to projects dealing with fish habitat. Only Tuesday evening we were discussing the section dealing with Fisheries and there was a concern about the fishing industry, whether it be commercial or sport fishing. There are a great number of projects being undertaken by the Habitat Heritage Board to reclaim fish habitat or to enhance fish habitat.

Perhaps we have fallen somewhat short of the target in terms of funding for the Habitat Heritage Board, but let me say to the member, it is better to have had a target and at least have a program to address those issues and have fallen somewhat short than to have no program at all. I'm delighted that my department and, in fact, the government on this side has seen fit

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to fund this kind of activity. We will continue in our support and we have people on the board, people from all walks of life, who have an interest in the habitat of the province and who are involved in terms of volunteering their time and getting support from different organizations and the private sector throughout the province to ensure that we have province-wide participation in support for habitat, ensuring that we have a habitat that is conducive to the long-term survival of the different resources that we have in the province, whether it be the big game, waterfowl, upland game birds, or fish.

I'm very pleased with that program, Mr. Chairman.

**MR. A. DRIEDGER:** Mr. Chairman, first of all, I want to indicate total support for the project. It is a tremendous project. Obviously everybody is in agreement with the fact that with the voluntary work that's being done, the contributions are fantastic.

My question to the Minister is not the fact that there's \$250,000 here being funded but the fact that there was an understanding that in the third year there would be .5 million. There was also an understanding under the Toxicology Fund, to fund that; that was also an understanding.

We have a continuance of broken commitments, so to speak, and the Minister is lauding programs. This is fine. Both programs he had mentioned are super programs. But commitments were made, understandings were there, and then the Minister gets up and indicates the funding isn't there.

Could the Minister indicate whether there is within his department, aside from all the cuts that have already taken place in certain areas, another 2 percent cut being contemplated in the budgetary expenditures of his department for the coming year?

**HON. L. HARAPIAK:** Mr. Chairman, I can only say in response to the first part of the statement made by the Member for Emerson that a person's vision should exceed his grasp. So, surely, when we plan a program and we have a vision for a particular program, at certain times we cannot meet that commitment. But I say to the member, it is better to have a goal to reach for. In fact, it was only the other day where the member was accusing this department of not having any goals. That is simply an indication that we have goals; we will strive to achieve those goals. But given certain conditions that arise in terms of funding, there will have to be adjustments made from time to time. Whether there are overall adjustments to programs or if circumstances changes, in response to specific programs, we will have to make those adjustments. I think it is only wise management to do so.

In terms of the last comment the member made, we are conscious of the need to meet our budgetary targets and we will do whatever is necessary to try and attain that.

**MR. A. DRIEDGER:** I suppose, Mr. Chairman, what is so frustrating is that I attended a committee meeting with MTS this morning, where we find out that we'll be writing off in the area of \$17 million on stupid investments that cannot be recovered and here we have projects of this nature - basically we'll end up possibly

writing away \$17 million and who knows what else will show up yet - then we have cutbacks in things of this nature.

The Minister says, well, we have to have financial responsibility. If that was illustrated consistently, then there wouldn't be that much criticism. But when you have the squandering of money stupidly in certain parts of the government and then we have programs of this nature cut back, then the question has to be raised, you know, where are your priorities?

I want to just once again ask the Minister, can he indicate whether there's a 2 percent cutback that has been directed within his department within the last little while for his budgetary expenditures?

**HON. L. HARAPIAK:** Mr. Chairman, I can only say that during the course of the year there will be various management decisions implemented and certainly we have to be conscious of where our spending is at a given point in time, where we intend to be, and we will use various means to achieve that.

I want to point out to the member, if he is prepared to indicate expenditures by different departments, I think he should be conscious of expenditures taken by different levels of government. I think if the Federal Government had not put \$1 billion into supporting some failing banks, they could have contributed much more to that fund as well.

**MR. A. DRIEDGER:** Mr. Chairman, I suppose it's within the Minister's prerogative to try and be cute about this situation, but he doesn't want to answer the question whether there's been a further 2 percent cut designated for the Department of Natural Resources for the current year.

**HON. L. HARAPIAK:** If I'm hearing the Member for Emerson correctly, Mr. Chairman, it is the same question that has been raised twice. I've answered it to him already.

**MR. A. DRIEDGER:** Possibly, Mr. Chairman, because maybe I didn't understand the answer properly. I want to ask the Minister once more: Is there a further 2 percent cut designated for the spending within his department in the current year? If he answered it, then I apologize. I wonder if he could maybe repeat the answer.

**HON. L. HARAPIAK:** Mr. Chairman, I can only say that this department, like other departments of government, is charged with the financial responsibility of meeting the budget target set out and we will do our part in achieving that.

**MR. CHAIRMAN:** The Member for Fort Garry.

**MR. C. BIRT:** Thank you, Mr. Chairman, my question is to the Minister.

When Estimates are prepared, they're ultimately approved by Cabinet, as I understand it, and then finally introduced into the House for approval.. If a request for a reduction in expenditures for budgeted funds is made, what body in government would authorize those projected reductions?

**HON. L. HARAPIAK:** Mr. Chairman, I'm wondering if the member can be more - is he referring to a reduction specifically within the Department of Natural Resources?

**MR. CHAIRMAN:** Could the Member for Fort Garry clarify the question.

**MR. C. BIRT:** Yes. What body in government - would it be Cabinet, would it be Treasury Board, or would it be some other authority in government that, having given you approval for the Estimates that you are now going through, if there were instructions to reduce the amount of expenditures before year-end, what authority or what body would request that of the department?

**HON. L. HARAPIAK:** Mr. Chairman, as a newcomer, I say this with some caution, but it is my understanding that - I'm a member of Cabinet and Cabinet is the final authority on global matters with respect to budget. Certainly there would be other elements. There is a certain jurisdiction that the Minister has with respect to departmental spending decisions, but the overall responsibility is with Cabinet.

**MR. C. BIRT:** Mr. Chairman, the Estimates that we are now proceeding are set at a certain sum, 84 million. Could the Minister advise whether or not Cabinet has recently issued a directive to his department, asking him to reduce the expenditures in his department from its current projected 84 million by some 2 percent or some 10 percent?

**HON. L. HARAPIAK:** Mr. Chairman, I am aware, as I indicated earlier, that we are conscious of the pressures on government and that there is a desire to meet the targets that were set at the beginning of the year. As I indicated earlier, we will be part of that overall exercise on the part of Cabinet to meet the initial targets that were set out with respect to the deficit targets.

**MR. C. BIRT:** Mr. Chairman, the Minister of Finance today tabled the first three-month report for the fiscal year of the finances of the Province of Manitoba. It indicates that there is an increase in the deficit for that three months of some \$20 million over that that was estimated. This is the first time in history, or at least the most recent time, that deficit has been much higher than the projected deficit.

I've also been advised — (Interjection) — well, the Minister of Finance seems to be talking about high finance from his seat. Yet, he did not seem to want to hold a press conference to indicate that his deficit projections are causing him some troubles, which means the economy in the Province of Manitoba, despite the large sums of money he seems to want to borrow, is failing to keep afloat.

My question to the Minister is: In light of this new information that the financial figures of the Province of Manitoba are deteriorating, has Treasury Board instructed your department to reduce the expenditures within your department by 2 percent, 10 percent or any percentage?

**HON. L. HARAPIAK:** Mr. Chairman, I don't accept the statement made that the financial situation is

deteriorating, as the individual has indicated. It is information that has been tabled and, as the member referenced, it is at a higher level at this point than it has been for some period of time, going back to a previous administration. So, it's not as though we are unconcerned about it. But it is public information. It is shared.

Then I think, given that information, we as members of Cabinet in making our decision will have to be responsible and undertake whatever decisions are necessary to meet the targets that we had initially set out.

**MR. C. BIRT:** Mr. Chairman, I'm pleased to see that the Minister has now admitted that there will be a reduction in the amount of his initial expenditures that were allotted to him by Cabinet when these Estimates were initially approved. I'm just wondering if he'd care to share with us the amount of the reduction that he'll have to cut out of his Estimates for this year.

**HON. L. HARAPIAK:** Mr. Chairman, I want to indicate clearly for the record that I did not indicate that would happen specifically in terms of this department. I said that I was a member of Cabinet, and this department will share in the overall decision-making process.

**MR. C. BIRT:** Mr. Chairman, I'm wondering if the Minister could advise if any directives have gone out from senior administrators in his department or his Deputy Minister's office, Assistant Deputy Minister's office to staff to have them reduce the amount of their budgetary expenditures by some percentage during the current fiscal year.

**HON. L. HARAPIAK:** Mr. Chairman, I think in most organizations - and certainly I don't think government would be immune to this - contingency plans are reviewed from time to time. There have to be options explored. Certainly within this department, there will be contingency plans that could address changing situations.

So, I would not want to leave the impression that there wasn't an ongoing effort on the part of departmental staff to anticipate what might happen and, if certain changes come about, how could those be addressed. Certainly, I would hope that would be part of the responsibility of management, not only in the public sector but the private sector as well, where you would try to anticipate what might happen and, should certain things develop, how would you then address them.

**MR. C. BIRT:** Mr. Chairman, I'm wondering if the Minister could advise when the planning for these contingency plans were instituted? What date?

**HON. L. HARAPIAK:** Mr. Chairman, I am not aware of a specific date for a specific effort. What I am saying is that, on an ongoing basis, part of the responsibility of management is to have contingency plans.

**MR. C. BIRT:** Mr. Chairman, I'm wondering if the Minister could advise us what the contingency plans are based on he's referring to, plans in the plural, so

obviously more than one has been prepared. I'm wondering if he'd share with us the information contained in those contingency plans.

**HON. L. HARAPIAK:** Mr. Chairman, I'm having some difficulty relating that to the discussion on the Estimates process. I think, if we are going through particular sections, we can perhaps refer to what options might exist in terms of particular lines. But to make a global statement when we are going through the detailed Estimates of the department would, I think, not contribute to the discussion that we're having now.

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Chairman, in view of the conversation that just took place, I think the concern that we have in looking at the Estimates is exactly - my anticipation would be, based on the comments by the Minister that further cuts are probably pending within his department. When we consider that his Estimates dropped from 87 million down to 84 million, and if we're anticipating another possibly 2 percent cut - the Minister is not indicating what his instructions are, what he has to cut back. I wonder if the Minister could indicate what further programs are going to be shelved and cut back. I just illustrated two here, the Heritage Fund being cut back by \$250,000.00; the lack of involvement in the Toxicology Study Program with the World Wildlife people. Can the Minister indicate any other areas where, you know, in anticipation of further cuts again, what programs are going to be under the gun?

**MR. CHAIRMAN:** We are considering Wildlife. I wonder if this discussion should take place under the Minister's Salary.

**MR. A. DRIEDGER:** Mr. Chairman, you're wondering maybe, but the areas that I raised, for example, some of the cutbacks in some of these programs deal with wildlife. That's why I raise the question. That's why we try to establish, you know, what is happening. Various programs under the wildlife program have been cut back and we're just wondering, you know, what other programs. I know of some, but I don't know of all of them. I'm just wondering which other ones are going to be cut back.

**HON. L. HARAPIAK:** Mr. Chairman, I think the member is somewhat incorrect when he is saying that there was a cutback in this respect. These were figures that were targeted from previous years and the level of funding that had been anticipated for those previous years was not achieved in this year, but it is wrong to suggest that programs were eliminated.

The member knows full well, and by way of some of the questioning that has taken place in the Chamber, programs are adjusted, depending on changing circumstances. He knows full well that the very area that he represents was affected by one of those. He raised it in terms of silviculture, the silviculture program in which we spent less than we had anticipated, but then when it came to the cone collection, we spent more than we had anticipated. So, certainly, there are

going to be variations in the expenditure as the year goes on, and those kinds of decisions have to be made on an ongoing basis.

I think, again, it is wise management, Mr. Chairman, to have that kind of flexibility in and, surely, the Member for Emerson is not suggesting that once a budget is struck and having set out a certain direction, that we should not be prepared to deviate from that.

**MR. CHAIRMAN:** The Member for Virden.

**MR. G. FINDLAY:** Thank you, Mr. Chairman. I'd like to get the Minister's comments briefly on support for private game farms.

If a farmer wants to have some game for public viewing, what is available from the government in terms of stock and support for setting up such a mini zoo, I guess?

**HON. L. HARAPIAK:** Mr. Chairman, there is no direct aid. If the member is talking about financial support, there is no direct financial support to the game farms. I think he was referring to them.

**MR. G. FINDLAY:** What about obtaining stock?

**HON. L. HARAPIAK:** I'm advised that on occasion, Mr. Chairman, when there is orphaned stock of some sort, that might be made available to a game farm. But, just to clarify, I think the member is speaking of game farming in the sense of viewing, not some of the commercial ventures. So, in that sense, no, we do not allow for the capture of stock.

**MR. G. FINDLAY:** There is no ability for a person to get a permit to do that under any circumstances?

**HON. L. HARAPIAK:** I'm advised by staff that we do not provide permits for capture of stock from the wild, that the stock would be obtained from trading with other farms that would have the particular stock that they were interested in, but we do not allow that.

**MR. G. FINDLAY:** There are no limitations on those that do have it now in terms of trading it, selling it, to another individual who was setting up a farm?

**HON. L. HARAPIAK:** Mr. Chairman, I'm told that there is a federal piece of legislation, import/export, which would cover importation of animals to Canada and, in some cases, in the movement interprovincially, but we have a basic set of guidelines which covers the operations and establishment of these game farms, but it's fairly basic.

**MR. G. FINDLAY:** I was really wondering if there are any limitations for trading or moving between farms in Manitoba.

**HON. L. HARAPIAK:** No, there aren't any restrictions.

**MR. G. FINDLAY:** Just for my own information, can a person go out on his own property and capture deer or beaver or whatever and put them in a confined area?

**HON. L. HARAPIAK:** If I understood the member correctly, he was asking whether wild game, which was on his farm, could be taken for that purpose. Not if it was a protected species.

**MR. G. FINDLAY:** My last question will be: Is there any technical assistance provided for somebody wanting to start those kinds of operations to the department?

**HON. L. HARAPIAK:** Mr. Chairman, there is a basic set of guidelines in terms of facilities that the person would have to comply with. We would be prepared to share what information we had in terms of being able to provide some technical support, but if it was more of a technical advice in terms of treatment of the animals, the person would have to employ the services of a veterinarian in that respect.

**MR. G. FINDLAY:** I have a question just for information. Is there funding available from any other type of organization, any wildlife organization, provincially, federally or internationally for individuals in this province to set up such operations?

**HON. L. HARAPIAK:** I'm not aware of any, Mr. Chairman, but I suppose there are possibilities that could be pursued through some of the programs for small business and perhaps tourism and business development. Some submissions could be made there, but I'm not aware of any funding that is designated specifically for that kind of activity.

**MR. A. DRIEDGER:** I have a couple more questions in this section here, Mr. Chairman, and one of them is: At the present time, there is no compensation program in place for farmers who have animal losses, cattle losses, due to wildlife predators - bears or wolves.

We have various programs in place for waterfowl damage. We have programs in place where bears do damage to crops, but there is no provision anywhere at all for damage to livestock. Those cases are relatively rare, but the individuals who get affected by it obviously suffer the losses and there is always a lot of difficulty with this kind of situation.

I know of two particular cases, one in my specific area where we've had wolves that have been taking calves, and it has been verified by the C.O. in the area. They have been doing investigations. I think there are efforts being made to try and catch or kill the wolves involved, but the individual has lost - and I know it's hard to establish - but he claims he's lost anywhere around 10 to 12 calves and some of them are substantiated by the C.O.'s in terms of a loss. Is there any consideration at all, in terms of developing some kind of a program, so there could be some compensation on that?

**HON. L. HARAPIAK:** Mr. Chairman, there is no active consideration being given to a compensation program with respect to damage to livestock from, let's say, wolves or bears. We have staff that could assist in dealing with the problem, and if it became severe enough, we could declare it a special damage control area to deal with the problems, in terms of reducing the damage. But specifically to the question of whether there is consideration being given to implement a compensation program for big game - I have to reword that - livestock losses to wildlife, no.

**MR. A. DRIEDGER:** Mr. Chairman, before we leave this section, I just wanted to clarify once more with the Minister. I had raised the issue of the trap line allocation up North extensively with the Minister, and it was my understanding that he had given me an undertaking that he, himself, would be reviewing that situation. I want to reconfirm that position, that the Minister, himself, is going to check the situation out, and in conjunction with his colleague, the Minister of Education, who also has a thick file on the matter.

I ask him whether he would just reconfirm the fact that he was going to go and have a good look at this thing, because I think he'll find confirmation from his colleague, the Member for Flin Flon, that the situation wasn't dealt with properly, in spite of the Ombudsman's investigation. The Minister indicated he would take a personal view of the matter. I just wanted to have that reconfirmed.

**HON. L. HARAPIAK:** Mr. Chairman, I'm pleased to confirm what I said on Tuesday evening, that I would be looking into this, material is being drawn together for my consideration by the staff and there's quite an extensive file on this issue. It is being forwarded to me. I'm sure, shortly after the completion of the Estimates process - which is taking my time now - once we are completed that process I will review it. But again, I just wanted to indicate that any attempt on my part to look into it - I would not want to have interpreted in any way - as an effort to terminate the efforts of the Ombudsman.

**MR. CHAIRMAN:** 9.(a)(1) to 9.(j)(4) were each read and passed.

Resolution 127: Resolved that there be granted to Her Majesty, a sum not exceeding \$3,937,900 for Natural Resources, Wildlife, for the fiscal year ending the 31st day of March, 1987—pass.

The hour being 5:30 p.m., I am leaving the Chair and we shall be returning to consider the next item in the Budget, which is 10.(a)(1) Surveys and Mapping, Administration, Salaries; 10.(a)(2) Other Expenditures.