

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, December 12, 1989.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Mr. William Chornopyski (Chairman of Committees): Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same, and asks leave to sit again. I move, seconded by the Honourable Member for Fort Rouge (Mr. Carr), that this report of the committee be received.

MOTION presented and carried.

INTRODUCTION OF BILLS

BILL NO. 89—AN ACT TO AMEND AN ACT TO INCORPORATE UNITED HEALTH SERVICES CORPORATION

Mr. Helmut Pankratz (La Verendrye) introduced, by leave, Bill No. 89, An Act to Amend An Act to Incorporate United Health Services Corporation; Loi modifiant la Loi constituant la "United Health Services Corporation."

MOTION presented.

Mr. Pankratz: Mr. Speaker, with your permission I would like to just put a few comments on the record in respect to the Bill.

Mr. Speaker: The question has already been put. The Honourable Member had an opportunity before the question was put. Is there leave? (Agreed) The Honourable Member for La Verendrye.

Mr. Pankratz: Thank you, Members, for being so considerate.

Mr. Speaker, I am pleased to introduce Bill No. 89, An Act to Amend An Act to Incorporate United Health Services Corporation. Just briefly, under our Rules I would like to give a brief explanation of this Bill.

United Health Services Corporation is a non-profit Manitoba corporation operating under the trade name Manitoba Blue Cross.

It was incorporated by a statute in 1974, which was then amended in 1978. The corporation is now seeking to amend the act of incorporation so as to change the manner in which Members are selected to the board of directors. In addition they wish to change the provisions for remuneration for officers and directors.

Mr. Speaker, discussions I believe have taken place with both Opposition Parties and it is my understanding

that there is no objection to the contents of this Bill. I therefore trust that the Bill will receive speedy passage.

* (1335)

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to Oral Questions, may I direct Honourable Members' attention to the gallery where we have, from the Glenboro School, twenty-nine Grade 7 students. They are under the direction of Georgina Greenlay. This school is located in the constituency of the Honourable Minister of Family Services (Mrs. Oleson).

Also this afternoon we have 20 visitors from the Interlake Christian Home Schoolers. This school is located in the constituency of the Honourable Member for Gimli (Mr. Helwer).

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

ORAL QUESTION PERIOD

LynnGold Resources Inc. Severance Pay Packages

Mr. Paul Edwards (St. James): Mr. Speaker, my question is for the Minister of Energy and Mines (Mr. Neufeld). LynnGold Resources Inc. did not go bankrupt yesterday, it went bankrupt on October 27 of this year, some six weeks ago. It should be noted that LynnGold voluntarily assigned itself into bankruptcy and the actual decision of the board of directors to put the company into bankruptcy had been discussed since July 31 of this year and was finally made on October 25 of this year.

Mr. Speaker, on October 25 this Minister was still talking with the company and he, as a chartered accountant, knows full well the effect of bankruptcy on wage earners. My question is, what did he do to protect workers from losing their severance pay? There were many things he could have done; he knows what they were, yet he did nothing.

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, we are fully aware that the company went into bankruptcy on October 27. They proposed a holding proposal which gave them time to make a proposal to the creditors and on Friday of last week they must have decided, and I have not had any official word of this, to allow the bankruptcy to proceed.

Mr. Speaker, yes, we did talk to the company until approximately November 9. Our proposal to them was always on the table; it was for them to accept or deny. The company chose not to accept a proposal, and the company themselves took the decision to file a petition of bankruptcy. The Government did not file that petition of bankruptcy for them. The company made that

decision and, short of funding whatever the company wanted, giving them a signed chequebook with no amounts attached, we could not have saved that bankruptcy.

Mr. Edwards: In fact, on October 27, the very day that LynnGold voluntarily assigned itself into bankruptcy, this Minister, in response to a question from the Member for Churchill (Mr. Cowan), said that the decision to keep the mine open or close the mine will not be that of the Government, it will be that of the company, and I think it is out of respect that we must wait for them to make that decision. Well, Mr. Speaker, as the Minister spoke about respecting the company, the company was shafting the workers that very day.

Mr. Speaker, why did this Minister not, when he knew negotiations to save the company had failed, insist that negotiated severance packages be paid over right then to protect the workers from this insidious shafting by the company?

Mr. Neufeld: The Member for St. James should know that if the company is preparing itself for bankruptcy it will not add another \$2.5 million for the payment to workers to avoid that bankruptcy.

Mr. Edwards: Mr. Speaker, you negotiate severance packages in good faith, you better be prepared to pay them. However, this Minister did not go to bat for the workers to ensure that occurred. He knew full well they were going into bankruptcy and he did not take precautions to protect the workers.

While this Minister was respecting the company - (interjection)-

Mr. Speaker: Order, please; order, please. I would like to remind the Honourable Member this is not a time for debate, this is Question Period. Would the Honourable Member put his question, please?

Mr. Edwards: The bankruptcy proposal says, and I want to quote very briefly from it, all amounts payable—I would put my question if I could have the opportunity, Mr. Speaker—on account of wages, but excluding severance pay packages, will be paid in full—

Mr. Speaker: Order, please.

Mr. Edwards: I will pose my question. Did this Minister ever confront the company on behalf of the workers, given that in their proposal they specifically excluded severance pay packages and demand that severance pay packages negotiated in good faith be given security and priority, or better yet, as an indication of good faith, get the company to pay them over then put them in trust for the workers until employment was finished? This Minister did nothing, and he knew what he could do—

* (1340)

Mr. Speaker: Order, please. The question has been posed. The Honourable Minister of Energy and Mines.

Mr. Neufeld: Mr. Speaker, very briefly, on October 30 we wrote a letter to the company in which we indicated

what the Government was prepared to do and what we thought LynnGold Resources must do, a commitment by them. It said, amongst other things, removal of all outstanding debt, contingency severance liability estimated to be \$2 million.

Mr. Edwards: I would like the Minister to table that letter which he has quoted from. Mr. Speaker, the fact is that was three days after the bankruptcy had been voluntarily made.

LynnGold Resources Inc. Employee Statement of Claim

Mr. Paul Edwards (St. James): I have a new question to the Minister of Labour (Mrs. Hammond). As I have said, the company voluntarily went bankrupt on October 27. On September 21 and again on November 6 the Department of Labour did corporate searches of Sherrgold and LynnGold. The Department of Labour was presumably monitoring who the directors and officers of the corporations were with a view to enforcing wage settlements against directors and officers personally as provided for in The Payment of Wages Act.

Mr. Speaker, that is the intelligent thing which would have been done. I do not want to speculate. Can the Minister tell the House why her department was doing corporate searches on a regular basis in and around the time of a petition of voluntary assignment into bankruptcy by LynnGold?

Hon. Gerrie Hammond (Minister of Labour): Mr. Speaker, it is always nice to get a question from such a knowledgeable Member. I would -(applause)-

Mr. Speaker: Order, please.

Mrs. Hammond: The Employment Standards Branch has filed a proof of claim on behalf of LynnGold Resources' employees with Touche Ross Limited as of December 7, 1989. The total amount of the proof of claim is for \$822,739.49. The branch is requesting a payout from the payment of wages fund at the time the director's orders are issued in the amount of \$234,377.33 to be paid as quickly as possible.

Payment of Wages Act Severance Pay Coverage

Mr. Paul Edwards (St. James): My question is to the same Minister. Mr. Speaker, in fact under The Payment of Wages Act, which I am sure the Minister will know, \$2,000 in wages are protected and a further amount up to six months wages can be sued for against the directors and officers of the company personally.

What advice can the Minister give the workers in Lynn Lake as to whether or not their severance pay in its entirety qualifies as wages for the purposes of this Act, or has she thought of that remedy which is available under an Act she is responsible for?

Hon. Gerrie Hammond (Minister of Labour): We have had opinions that the vacation pay could be gone after

from the directors, and we will be going after the directors for the amount as soon as—let us see, the payment requests should be ready and we will be going after the directors immediately.

Mr. Edwards: Vacation pay is by far and away the smaller part of what is being claimed by the workers. What I asked the Minister, and what I hope she will get back to me on, is whether or not severance pay qualifies under the definition of wages in the Act.

* (1345)

Mr. Speaker, I have a question for the same Minister. Her officials no doubt found out in their searches that there are eight directors of LynnGold, all but two of whom live in southern Ontario. These people no doubt all have director's liability insurance. Will this Minister, and she has indicated the Director of Employment has filed a claim, does that claim include all severance pay? Will the Minister give advice to Members today as to whether or not the Director of Employment Standards will be claiming pursuant to The Payment of Wages Act with a view to enforcing all of these amounts against these directors of this corporation which apparently negotiated severance packages not in good faith—

Mr. Speaker: Order, please. The Honourable Minister of Labour.

Mrs. Hammond: Mr. Speaker, our department is going after every penny that is owed to the workers. We will be pursuing that vigorously.

LynnGold Resources Inc. Severance Pay Packages

Mr. Gary Doer (Leader of the Second Opposition): Mr. Speaker, my question is to the Minister of Energy and Mines. The corporation that declared bankruptcy is owned by what the Minister has typified as multinational, multibillion dollar corporations in this Chamber considerably, and certainly today knowing that the average worker and family in Lynn Lake is entitled to some \$14,000 and they are receiving only \$1,200 is a concern for all Manitobans as a gross injustice for the workers and families of that community and the workers and families in Manitoba.

My question to the Minister is, what expedited action and strategy does he have in place to return fairness and equity for those workers and families to make sure that they get the \$14,000 on average that they are entitled to?

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, first of all, I have never referred to the two-parent company as multinational, international. I have referred to them as large corporations with a combined net worth of \$550 million. The severance pay may not be a direct charge against the assets of the bankruptcy estate as a prior claim.

The members of the steelworkers union have asked whether we would fund the legal fees in order to determine, have the courts determine, whether or not

those severance packages could be claimed against the estate as a prior claim. We have agreed to fund such legal fees and that is in process now.

Mineral Claims Licensing

Mr. Gary Doer (Leader of the Second Opposition): That will be cold comfort, Mr. Speaker, for the \$14,000 that is owed each family in Lynn Lake. My question to the Minister is, has he looked at any other aggressive strategy in dealing with this \$550 million worth company to deal with the injustice to the workers. Has he looked at removing the permits and withholding the licences for all mineral claims in Manitoba as a way of starting to lever back money for the workers and their families rather than allowing this company to leave this community and Manitoba with the workers holding—being short \$14,000 each? Has he looked at an aggressive strategy to deal with this company? Can he report that to this House today?

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, the decision to file bankruptcy was that of the company. We did not have any decision, any part in that decision-making. The company is now in a state of bankruptcy. The assets are in the possession of the receiver which would include any and all leases the company might have. How do we, I ask the Member for Concordia, as a Government attach those leases today? We cannot attach leases which the company does not own.

Mr. Doer: They are our leases. It is the people of Manitoba who own the minerals in the grounds. I am asking the Minister to be tough with this company so the workers and their families can get the \$14,000.00. We do not want the same answer as we got with the Drug Patent Law from this Minister, that he was supporting the drug companies, again with Lynn Lake and LynnGold Mines, Mr. Speaker.

Will the Minister take an aggressive approach with this company and go to Cabinet to withhold the licences and permits from this company and all of its subsidiaries in Manitoba as a way of getting back the \$14,000,00? Will the Minister ask that all the secured creditors hold in trust the money that they are getting back, the federal Government, the provincial Government as another possible way of returning some of that \$14,000 for the family? What is the Minister going to do to solve this injustice on the workers and families of Lynn Lake?

Mr. Neufeld: I have already indicated that we are pursuing the matter in the courts. We are funding the pursuit of the matter in the courts on behalf of the steelworkers.

* (1350)

I should mention also, Mr. Speaker, that one of our conditions, as was indicated in the letter I filed a few minutes ago, we put a precondition on our involvement that the company fund the severance packages for the employees. The Member for Concordia and his colleagues demanded that we withdraw those conditions so that the company might carry on.

Mr. Doer: This Party wanted a solution to Lynn Lake but we would have never ever, ever put as a condition removing the severance pay. Do not let the Minister say that for one moment, Mr. Speaker.

Lynn Lake, Manitoba Essential Service Maintenance

Mr. Gary Doer (Leader of the Second Opposition): The Mayor of the community of Lynn Lake has said there has been no constructive ongoing dialogue with the Government to deal with the personal and business taxes in homeowner and business equity compensation.

My question to the Minister is, given the fact that the North has paid over \$300 million in mining revenue over the last year, there are indeed funds that were established, mining reserve funds and other funds that have been established in Manitoba, not as good as what was in the former budget.

My question to the Minister is, is he looking at a way of alleviating the taxes in the community of Lynn Lake as a bridge solution while the community meets this evening so that this crisis situation in the community can somewhat be helped by the provincial Government and people can stay in the community with less penalty to get over this crisis situation in Lynn Lake?

Hon. Jack Penner (Minister of Rural Development): We have indicated, and we have met with the community, we have indicated very clearly to them that we would support the maintenance and the ongoing operations of the essential services in that community and that is our intention. I am going to Lynn Lake on Monday of this coming week to give them an indication as to what amount that support will be in the interim and look at the support in the future. We are also indicating clearly that we will not let the services in the town suffer because of the inability of the mine to pick up and pay for their share of the outstanding taxes.

High School Review Implementation Committee Report

Mrs. Iva Yeo (Sturgeon Creek): This time last year we were waiting and waiting and waiting for the report of the High School Review Committee. Many Manitobans, students, parents, school trustees, administrators, post-secondary educators were hopeful that solutions to even a few of the many problems might finally be forthcoming, but, no, we have a Minister of a Government that prefers to create committees instead of answers and solutions. This new committee is now in disarray with one of the committee members stalking out of the meeting. Can the Minister of Education explain why the committee is in chaos, why one Member has quit and others are disenchanting? Explain this to Manitobans who are waiting for answers.

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, I am pleased to answer that question because indeed there has been a lot of work that has gone into the recommendations of the High School Review and we have received some 230

responses to the challenges and changes that were submitted and were tabled in the House. Since then an implementation committee has been sitting and making their deliberations with regard to what recommendations and the timing of their being implemented and when.

It is true that, and I have not received the letter of resignation from the Member, but I understand that one of the Members of the High School Review Implementation Committee has decided to withdraw his services from that committee. That happens from time to time, and certainly if that Member chose to do that, that is certainly up to him.

Mrs. Yeo: When the Minister announced last May that he was setting up this committee to review the high school review, he said that it would report to him by July, five months ago. Will the Minister please tell us when the review of the review will now be completed?

Mr. Derkach: The implementation committee has been meeting on a regular basis since June, I believe, or July. Mr. Speaker, if the Member would care to ask the Teachers Society or the Manitoba Association of School Trustees, she would find that indeed these organizations have indicated that the task before them was far larger than they had anticipated when the committee was formed. Indeed, to make recommendations so that the implementation of the high school review is a sensible one, it has taken them a much greater amount of work and time to come up with those recommendations.

The committee has reported to me. I met with them about a month ago and they have indicated to me that by mid-January they will be prepared to submit their final report to me as Minister.

Mrs. Yeo: Perhaps the Minister has learned to establish more realistic goals when he sets up these committees.

* (1355)

Dropout Rate Recommendations

Mrs. Iva Yeo (Sturgeon Creek): The University of Winnipeg now has to run remedial courses in math and in English. When is this Minister going to stop sitting on his hands, face the facts and give some direction that will help decrease the number of high-school dropouts?

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, in terms of establishing realistic guidelines I have to indicate to the Member opposite that indeed the collective wisdom of the people involved at that time was that if the implementation task was going to be as easy as Members opposite thought it was going to be that we could probably come up with an implementation strategy by the end of the summer.

When the committee met and considered the 69 recommendations, they realized that they could not make those deadlines and came back to me as Minister and indicated they needed far more time to be able to deliberate over these recommendations. That

extension was granted, because we intend to implement the review in such a way that is going to make the high-school program in this province one that is sensible, and it is certainly going to include in it the kinds of standards and qualities that Manitobans desire.

Health Care Anesthetist Shortage

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, we have repeatedly raised the issue of a shortage of specialists in the field of anesthesia. Because of the inaction by this administration now the situation raised a crisis. The elective surgeries are being cancelled at Health Sciences Centre. There will be 20,000 less surgeries next year in Manitoba. Both the anesthetists at Seven Oaks Hospital will reach the age of 65 this year.

Can the Minister of Health (Mr. Orchard) tell us what steps he has taken to ensure there is no negative impact on the surgical procedures at Seven Oaks Hospital, Grace Hospital and other community hospitals?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, my honourable friend is quite correct in that they have raised the issue of this potential shortage in anesthesiologists in the Province of Manitoba.

As I indicated to his Leader yesterday, that is precisely why we have introduced the guaranteed services fund as part of the proposed three-year agreement with the MMA, so we can come to grips with one aspect of the recruitment of anesthesiologists and the retention of same in the Province of Manitoba, that being their opportunity to earn income at close to the national average. That is why the guaranteed services fund is proposed to bring that salary level up.

I would trust my honourable friend and his colleagues in the Liberal Party would support Government's efforts in negotiating that kind of an agreement with the MMA.

Brandon General Hospital Anesthetist Shortage

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, the rural communities will be even hit harder. In Brandon there will be a 66 percent decrease in the anesthesia service. Can the Minister of Health tell us how the Brandon General Hospital can function without an adequate number of primary care services?

Hon. Donald Orchard (Minister of Health): My honourable friend bounces figures here, there, everywhere, all over the place—66 percent here, 20,000 there, 40,000 wherever.

The service of anesthesiology has been one, as Dr. Bristow indicated yesterday when the inquiries were made, that has been in short supply for a number of years in the Province of Manitoba. Part of the difficulty is the fact that the practice of anesthesiology in the Province of Manitoba, because of the way the fee schedule has been set within the MMA's allocation of the global increases from Government, has led to anesthesiologists being underpaid in the Province of Manitoba.

The action of this Government is intended to take direct responsibility in bringing that up to the national average and resolving one aspect of the recruitment problem.

* (1400)

Health Care Anesthetist Shortage

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, I am quoting figures from a report by the anesthesia medical manpower in Manitoba, and I will table that report in this House.

Mr. Speaker, one of the ways of saving tax dollars is through the establishment of out-patient surgical clinics.

Can the Minister of Health (Mr. Orchard) tell us how he will establish the pre-anesthetic clinics when we do not have the adequate number even for emergency services?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I reject my honourable friend's fearmongering that there are not adequate anesthesiologists for emergency services. That is totally irresponsible for him to stand up in this House and to bring those kinds of accusations to the House on behalf of a narrowed—

Mr. Speaker: Order, please. The Honourable Opposition House Leader.

POINT OF ORDER

Mr. Reg Alcock (Opposition House Leader): I can understand the Minister of Health's discomfort over this particular issue, but too often he has taken to calling Members on this side irresponsible. I believe, Mr. Speaker, if you check Beausnesne's you will find that it is indeed unparliamentary to do so, and I would ask him to withdraw.

Mr. Speaker: On the point of order raised by the Honourable Opposition House Leader, he is quite correct, and I would ask the Honourable Minister of Health to withdraw those remarks.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. According to Beausnesne's 489 the words "irresponsible Members," "irresponsible reply," are out of order. I would ask the Honourable Minister—

An Honourable Member: Irresponsible Liberals.

Mr. Speaker: Order, please. The Honourable Minister of Health.

Hon. Donald Orchard (Minister of Health): Mr. Speaker, naturally I will abide by your request—

Mr. Speaker: I would like to thank the Honourable Minister of Health.

Mr. Orchard: —and withdraw the terminology attributed to my honourable friend, the medical doctor, Liberal Health Critic, as being irresponsible.

I want to simply indicate to my honourable friend that the preamble of his statement is not correct, is not presenting information to this House in a responsible way that we would expect from my honourable friend, because it is not accurate.

Mr. Speaker: The Honourable Member for Kildonan, on a point of order.

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, I have tabled the report. All the information I have given to this House is coming out of that report. The Minister should read that report and stop this—

Mr. Speaker: Order, please; order, please. The Honourable Member for Kildonan, the point of order is?

Mr. Cheema: Mr. Speaker, the Minister's allegation is that I am giving the wrong information. This report is—

Mr. Speaker: Order, please. The Honourable Member does not have a point of order. It is a dispute over the facts.

Farming Industry Net Income Decline

Mr. Bill Uruski (Interlake): A month ago the Minister of Agriculture (Mr. Findlay) of this province in his address to Manitoba Pool Elevators indicated that the Manitoba farm community is in good financial shape, giving the rosier prognosis that I have ever heard, Mr. Speaker. I do not know what this Minister was indulging in to make such statements.

Yesterday it was announced in Ottawa that the Manitoba farm net income will fall from \$258 million to \$37 million for 1990, a decrease of almost 90 percent. We have had this Minister of Agriculture (Mr. Findlay) sitting silently while Ottawa cuts support programs to farmers and saying that they need the GST to pay for monies to strip clubs.

Mr. Speaker, my question is to the Premier (Mr. Filmon). Can the Premier indicate to this House and to people in Manitoba what his Government is going to do to assist Manitoba grain farmers knowing that income stabilization support is being cut, grain prices are lower this year than last year, and what is his Government prepared to do to assist those farmers in this province?

Hon. Gary Filmon (Premier): Mr. Speaker, I can tell you that we have done a great deal more than the former Government did. We have removed in two successive budgets 35 percent of the education cost off farm land. We have made improvements to MACC. We have of course supported the farmers in all of their entreaties to the federal Government. We have made

improvements to crop insurance. All of these have been lauded by the farm community. The farm community has worked co-operatively and said that our Minister of Agriculture (Mr. Findlay) has given them the kind of support that they lacked for six and a half years under the NDP.

Manitoba Agricultural Credit Corp. Buy-Back Program

Mr. Bill Uruski (Interlake): Mr. Speaker, while Rome burns and farmers lose their land, this Premier is lauding the farm economy. Will this Premier instruct his Minister of Agriculture (Mr. Findlay), when he said he made strides in MACC, will he instruct his Minister of Agriculture to stop Manitoba Agricultural Corporation from selling farm land from under farm families who obviously will not be able to meet and exercise their option to buy back under the lease program? Will he reverse that policy?

Hon. Gary Filmon (Premier): Mr. Speaker, the Member for the Interlake saves up these questions for when the Minister of Agriculture is not here because he knows he will get his ears boxed when the Minister is here. I will be happy to take that question as notice.— (interjection)— Well, he does not have the guts to ask the question when—

Mr. Speaker: Order. Order, please.

POINT OF ORDER

Mr. Speaker: I would ask the Honourable First Minister to withdraw those remarks of his where he says the Honourable Member "does not have the guts." The Honourable First Minister, to withdraw.— (interjection)— Order, please. The Honourable First Minister.

Hon. Gary Filmon (Premier): Mr. Speaker, I withdraw the remark that I made about the Member for the Interlake (Mr. Uruski) not having the guts to ask this question when the Minister of Agriculture (Mr. Findlay) was here.

Mr. Filmon: I will take the question as notice so that the Minister of Agriculture can give a full and complete response.

Mr. Speaker: I would like to thank the Honourable First Minister. The Honourable Member for the Interlake.

Mr. Uruski: Mr. Speaker, I will be very pleased to ask the Minister of Agriculture questions as well on his trip to Ottawa.

Hog Industry Government Support

Mr. Bill Uruski (Interlake): Mr. Speaker, I want to also ask the Premier whether he is now prepared to reverse his Minister's policy and his Government's policy

position to now provide support to Manitoba hog producers realizing that Saskatchewan and Alberta are continuing to provide that support, notwithstanding the intransigence of his Minister of Agriculture?

Hon. Gary Filmon (Premier): Mr. Speaker, the Minister of Agriculture (Mr. Findlay) clearly indicated that we were monitoring the situation, that we would not see a major impact, negative impact on hog producers, that if there was a need for action, as the Government has always indicated in the past, we would act to support the farm community of Manitoba.

Seniors Housing Building Safety

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I have a question for the Minister of Housing (Mr. Ducharme). In December of 1985 a senior citizen froze to death outside of her building complex because she was unable to gain entry to it. The building had no intercom system or a buzzer system. On October 4 of last year my colleague from Burrows had asked the Minister to look into this particular matter. The Minister of Housing at that time made a commitment to do that. My question to the Minister is, why has he not fulfilled that particular commitment?

Hon. Gerald Ducharme (Minister of Housing): Mr. Speaker, I did talk to the Member for Burrows (Mr. Chornopyski) briefly and told him the situation, told him that we were looking at alarms that we could have inside the particular buildings. We did a report for the Member for Inkster. If he would like I will give him a copy of that complete report, but I did talk to the Member for Burrows briefly away from the Session. During the last Session I did talk to the Member briefly and explained what we were doing.

* (1410)

Mr. Lamoureux: Mr. Speaker, the Minister of Housing has had over a year now. Why do the questions still exist? When can we expect the Minister to follow up on a commitment that he made last year?

Mr. Ducharme: Mr. Speaker, in some cases in our senior homes it does not exist. We have installed some alarms. As he appreciates, in homes in the country you have to remember common elements, you do not have common elements so you have a bell outside the different homes. You ring a bell, who is to answer that particular bell? We have done the study and I will tell the Member that I will give him that report, but, Mr. Speaker, let us not have—

Mr. Speaker: Order, please; order, please. I am sure we would want to give the Honourable Minister of Housing the courtesy of giving us an answer. The Honourable Minister.

Mr. Ducharme: Mr. Speaker, let us not have it on the record that I did not talk to the Member for Burrows (Mr. Chornopyski). I did talk to the Member for Burrows briefly after he brought these questions up. I will supply

the Member with the report, but after talking to the Member for Burrows, he did not request a written report. I will get that for the Member for Inkster (Mr. Lamoureux).

Mr. Lamoureux: The Minister of Housing did talk to the Member for Burrows. There are live-in caretakers there. The point of the matter is he made a commitment to take care of this particular situation.

My question is, why did this Minister not fulfil the commitment that he has made because it is expected that when a Minister, he or she makes a commitment that they will fulfil that commitment—

Mr. Speaker: Order, please. The question has been posed. The Honourable Minister of Housing.

Mr. Ducharme: Mr. Speaker, this Minister and MHRC are very concerned. It is not just one particular housing unit we are dealing with. We did deal with -(interjection)- Mr. Speaker, if the Member for Inkster (Mr. Lamoureux) would like to answer the questions as well as ask them, he is free to go ahead.

Mr. Speaker: Order, please.

Manitoba Developmental Centre Integration Policy

Ms. Judy Wasylcia-Leis (St. Johns): My question is for the Minister of Family Services (Mrs. Oleson). The Ombudsman in his annual report delivered a scathing critique of the Manitoba Developmental Centre. Among other things, he states, I do not believe that the residents of the Manitoba Developmental Centre are receiving the level of care and quality of life to which they are entitled. He also says the Ombudsman firmly supports the concept of programs aimed at integrating and assisting the mentally handicapped to become a meaningful part of the community.

All of this is at a time when the numbers under this Government have not changed. There has been no movement from the institution to the community. My question to the Minister is, do the numbers and this kind of report reflect the fact that this Government has a policy that favours institutionalization, or does this Government believe and have a policy in encouraging the integration of mentally handicapped people into our communities and families everywhere?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, the latter position that the Member raised is correct. We do have a policy of believing that people should be integrated into communities. However, in this year, following upon the lack of commitment by the former Government, we were faced with having to put extra committed funds into the system as it now is. We are not able to do a concentrated effort of moving people out of institutions. We had to put large sums of funds into community residences, community day programs, in order that they would remain viable.

Readmissions

Ms. Judy Wasylycia-Leis (St. Johns): Mr. Speaker, if that is the case and that is the policy of this Government, why have readmissions to Manitoba Developmental Centre gone from 13 in 1986-87 to 27 in '88-89? Why have discharges at MDC gone from 110 in '86-87 to 23 in '88-89?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, I have not got at my fingertips the latest figures that the Member is quoting from.

It is my understanding that the population at MDC is fairly stable. There are people that move in for a short time to receive treatment or therapy so that they can continue to live in a community residence. There are a great many reasons why people are admitted to MDC.

Mental Health Centre Day Program Funding Formula

Ms. Judy Wasylycia-Leis (St. Johns): I would be happy to share the numbers from her own department that show that there has been that kind of movement towards institutionalization rather than to community living and we are very concerned that any kind of community living option is not alive and well with this Government at all. If it is I would like to know, why has this Minister put in place a policy to change the administrative grant formula for day programs, which as my colleague from The Pas mentioned last week will cut funds for many day programs and spell the end to organizations like The Pas Association for Human Development?

Will the Minister review this policy and agree that no day program will suffer a cut as a result of this change in formula?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, I would be happy to answer that question. There was a great deal of inequity in the system on how administration grants were given to these various programs. Some got none at all, some got a great deal of money, it was a complete disaster to put it clearly. I and my department undertook to rationalize this and work out a formula that was fair to all. No one will lose funding this year because of that policy—

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

LynnGold Resources Inc. Severance Pay Packages

Mr. Paul Edwards (St. James): Mr. Speaker, I rise again today because I have now read the Minister's tabled letter of October 30 which supposedly defends the workers. There is not one word in this letter about the protection of severance pay for workers. That letter came three days after a proposal was filed, which states, all amounts payable on account of wages but excluding severance pay and vacation pay shall be paid in full.

Mr. Speaker, the company had already indicated they had no intention of paying the severance pay. The

Minister said and did nothing to protect those packages. My question is, why not? -(interjection)-

Mr. Speaker: Order, please. The Honourable Minister of Energy and Mines.

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, the letter clearly states that one of LynnGold's input must be the removal of the contingent severance liability, estimated to be \$2 million. That clearly means to me that they must make their settlement with the workers. The lawyer from St. James said we should have done something before October 27.

The holding proposal was in force and the company was in a position to put forward a proposal. Furthermore, the layoff notice had been given but the layoffs had not yet commenced. The layoffs were effective on November 6. If you look on the bottom of the letter, that is the date we expected a reply from the company. We were fully aware that the company, if we went by November 6, would not be obliged to pay it if they filed bankruptcy. If they went back to work before November 6 no severance liability would be there.

Now, I ask the Member for St. James (Mr. Edwards), do we settle a severance liability before it is there, or do we settle it when it becomes a liability?

Mr. Speaker: The Honourable Member for St. James has time for a very short question.

Mr. Edwards: Mr. Speaker, that is great. The Minister first of all misquotes his own letter. He talks about \$1 million for related costs. The severance pay totals close to \$3 million.

My final question to the Minister is, why did this Minister not get assurances from the company that the severance pay would be protected, given that October 26 the superintendent of the company is quoted as saying that the company fully intends to meet all its obligations in terms of severance pay? Why did this Minister not make them put up some guarantees for their word, because the fact is the workers are now suffering—

Mr. Speaker: Order, please; order, please. The question has been put. The Honourable Minister of Energy and Mines.

Mr. Neufeld: Mr. Speaker, the letter clearly states, contingent severance liability estimated to be \$2 million. It says nothing about \$1 million. We do not know what the exact amount is even today; that has not been determined. Where the Member for St. James (Mr. Edwards) gets \$2.8 million from I am at a loss.

The liability for severance pay is that of the company. How can anyone force the company to pay? They can force them into bankruptcy, but that only takes away the liability. We could not force the company to pay.

An Honourable Member: The workers did not want us to force them into bankruptcy.

Mr. Neufeld: The workers would not have wanted us to force bankruptcy on the company. The minute we force bankruptcy the liability to pay ceases. I am sure the workers did not want that, and they in fact asked us not to do that.

Mr. Speaker: Time for Oral Questions has expired.

* (1420)

ORDERS OF THE DAY

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I move, seconded by the Minister of Northern and Native Affairs (Mr. Downey), that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Housing, and the Department of Energy and Mines; and the Honourable Member for Burrows (Mr. Chornopyski) in the Chair for the Department of Northern Affairs.

* (1440)

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY—HOUSING

Mr. Chairman (Harold Gilleshammer): Order, please. As was agreed by motion in the House, this section of the Committee of Supply meeting in Room 255 shall now resume consideration of the Estimates of the Department of Housing, to be followed by the Estimates of the Department of Energy and Mines.

When we last considered the Estimates of the Department of Housing the committee had been considering item 3 Operations, 3.(e) Grants and Subsidies, \$6,854,500—the Member for Inkster.

An Honourable Member: Can I go on a point of order beforehand?

Mr. Chairman: The Member for Churchill.

Mr. Jay Cowan (Churchill): Yes, if I can go on a very brief point of order, we were trying to move quite quickly through some of the sections yesterday in order to accommodate the schedule of the Minister, and we could not do that even though we all tried very much to do so. I am wondering if it might be possible before the staff leave perhaps to go back to some of the items, or ask questions concerning some of the previous items, and carry on just a bit of a more detailed questioning in there.

Mr. Chairman: Is there leave to do so?

Mr. Cowan: At the end of this, when we get through what we have left.

Hon. Gerald Ducharme (Minister of Housing): I have no problems with that. I sometimes wish—not that I did not enjoy my visit up at Thompson, but we got up to Thompson, we were going to be there for an hour but unfortunately I got home about 11:30 today. The plane—it was 42 below or 43 below—engine stalled so we took a regular flight back. We were supposed to come back late last night. The plane stalled then and I can appreciate the Member for Churchill what he has to go through up in the North because it was 42 below or 43 below. I decided to go back to the regular airline. It was quite an experience to stay there overnight. Maybe the Member for Inkster (Mr. Lamoureux) should be glad that maybe he did not go with me as critic because the only thing you did not have to worry about was leaving any baggage behind.

Mr. Cowan: On a point of order, I wonder if we might have leave to trade some air stories and flight stories. I mean, there are quite a few and I have been waiting for this opportunity for 12 years.

Mr. Chairman: While there are no points of order, there does appear to be leave to reconsider some of the areas covered yesterday. I would recognize the Member for Inkster.

Mr. Kevin Lamoureux (Inkster): Mr. Chairperson, I would like to go back to an issue that we had in late June of this year, and that was in regard to the Grants and Subsidies portion, and what appeared through the summer to be a bit of a conflict in terms of what I was saying and what the Minister of Housing was saying.

It really all started off when we received the main budget, on page 96, where under Grants and Subsidies, the item we are now debating, showed an actual decrease from the previous year. I had asked the Minister in terms of a couple of programs in particular, those being the shelter allowances for our seniors, and the shelter allowances for our low-income families. I had asked the Minister if there had been any cutbacks in the allotments to those two programs.

What I would like to do is to quote from Hansard on June 28 what the Minister had said to me in response to the question that I had put forward, and it goes, I can assure the Member across the way there has been no cutback on the allotments for 1989.

I really did not have anything in terms of detailed Estimates to be able to say that he was correct or to substantiate my worst fears that these two programs were in fact—the allotments had been cut upon. We did go into a recess of sorts, and then came August and halfway into August we received an Order-in-Council. On the Order-in-Council dated August 2, Order-in-Council No. 920/89, if we look at appropriation 30-3(e) we will see in fact that the shelter allowances for family renters, and the shelter allowances for the elderly was in fact cut back. I am referring to, of course, the allotments.

* (1450)

If we look at the Supplementary Information it reaffirms what the Order-in-Council has said. So in black and white it appears that what the Minister said on June 28 in the Chamber during Question Period was not correct, that in fact there was a cutback in allotments. I would ask the Minister if maybe he would comment on that.

Mr. Ducharme: Very simply, I was referring, when the question came about, to actuals, and if you look, that is what I said. We did not anticipate any cutbacks. We went back to our actual figures and that is what I said to him. When we started the budget procedure in August of '88 these are the figures that we felt that would be necessary. We were not anticipating any cutbacks of anything. We went back to our actual figures and worked back from there, knowing that if we have to redo our figures on subsidies and grants that we could go back and redo those figures. There is no way that I misled the Member in the House because I did say it. If he looks at my wording, I did say and I did mention "actuals."

Mr. Lamoureux: I know what I have read, and it is right here in black and white. If I want to read the whole paragraph, and this is what the Minister stated, that the other question he has, as I mentioned, to the Member for Churchill, we will make an announcement of all our allotments. I can assure the Member across the way that there has been no cutback on allotments for 1989.

I think that is in black in white, literally in black and white. It is beyond me how the Minister of Housing cannot admit to that.

Mr. Ducharme: To the Member, all I can say is that I was referring to "actual" and there was never any indication, or any way that we were looking at cutting back on those actual figures, and that is what happened. We looked at our '88-89 actuals and our actuals were lower and that is what we started with. The Member realizes that when we redid our SAFER and SAFFR—I think it is over a year later—we will be considering our figures and we have committed ourselves to increasing the SAFER and SAFFR, but at the time we were going back and the figures that my staff and I used for our budget were the actuals. The actuals were lower by almost 500,000 than what they were over the year before. Definitely we are not anticipating cutting back on any figures to these programs.

Mr. Lamoureux: Last year I had asked the Minister about these two programs during the Estimates period regarding what his opinions were basically on the two programs and why he felt that there was a lack of increase or why it was not increased. The Minister had at least led myself to believe that the program was meeting demands. I am wondering if the Minister can tell me why the actuals are actually lower than what he had anticipated.

Mr. Ducharme: If he relays back he will see that the question was dealing with the Grants and Subsidies

section of the budget, and there were some subsidies cut back. I had mentioned to him that the biggest cutback that we could see at that time was due to the mortgage program that was no longer applicable. I did explain to him at that time—it was during the large interest rates that were five years before—that the previous administration brought in a mortgage program that was no longer necessary. It brought it back to quite a tune. I did mention that to the Member at the time. On the other programs we are going back to our actuals, and we felt the figures we used in our budgets for this year, starting in the fall of '88 when we were doing our budget, were appropriate figures to use.

Mr. Lamoureux: Can the Minister of Housing say if the senior allowance and the family allowance were indexed on an annual basis for the past couple of years according to the cost-of-living increases, would there have been—would the money have been used?

Mr. Ducharme: We have basically gone through our formula, and we went through that the other day. My staff is still looking at what would be the result of combining those formulas. We have not had our figures completely determine whether that is the route to go, so at this time my staff and myself, as Minister, decided that we would go with the one of readjusting as of January to April and have an adjustment date on the per January basis. If we feel there is some means and some better way to gathering it in and adjusting it based on another system, we will do that. Until we have completed our analysis of those basis, we will know more to make a commitment of what we have done for this January to April in this particular budget year.

Mr. Lamoureux: Mr. Chairperson, the Member for Churchill (Mr. Cowan) the other day had brought up a letter that Mr. Mudge had sent to the Minister. Never having been a Minister myself, I could understand that he likely receives quite a bit of literature and maybe he is not able to read every letter. I do not know what his own personal policy is in terms of correspondence that he does receive.

I would like to read you three sentences from the letter, and then ask a question following it. It goes, addressed to the Minister from Mr. Mudge: "I am writing you regarding the SAFER payments. The amount was reduced in July by \$11.20 per month even though my rent was increased by \$11 to \$376 per month. My question is, why? I went down to the Housing office on Broadway and spoke to one of the ladies. She pulled my file and pointed out that my income had increased by \$34.11 per month, from '86-87 to '87-88, and that would account for the decrease in payment."

Mr. Chairperson, the feelings of this particular senior were shared by many seniors, where the cost of living increases on an annual basis. Yet these two programs, which are very worthwhile programs, programs that I have spoken very highly of in the past and will continue to speak very highly of in the future, should be indexed on an annual basis. I do not see the movement from this Minister, in terms of making a firm, solid commitment to increasing SAFER and SAFFR Programs every year on an annual basis.

I am wondering if he will today state that he will make a commitment to looking at it annually and coming up with a cost-of-living increase to both of these programs. There are many seniors, as I say, that rely on these two programs to facilitate their being able to purchase other necessities such as food, clothing and some enjoyment, I would imagine also, whether it is a night out at a restaurant or whatever it might be. I am asking the Government, through the Minister of Housing, to make a commitment today that no longer will these two programs be abused, that they will be increased on an annual basis according to the cost of living.

Mr. Ducharme: Well, if you look at the formula, the benefits under the Shelter Allowance Programs recognize the ability to pay, and the increment in this individual's did go up. If someone's income goes up, with all the things equal, then one's ability to pay increases, and this is the same in other housing-related benefit programs. That is what we are dealing with right now and that is why my staff is going through to try to solve that problem, try to come up with an answer to tie it in with something. At this time, I do not agree with the Member to say that we have done nothing. We have increased it by almost 10 percent.

If he looks through even the information we gave him at the time of release, the people that this would affect, and we did explain in the release that the formula used to determine the shelter allowance benefits is complex and takes into account several variables. The bottom line is we increased it by 10.

I, as Minister, have indicated that effective January 1 we have increased the programs. It will probably provide an increase up to 90 percent of eligible people in that particular marketplace, so I am saying that we at this time are looking at other ways, but we have dealt with it for January 1 and in this budget period. When we deal with the people effective for January 1 of '91, we will come up with something from our staff, but we have some time now to do that. We have committed ourselves and I will hold by that commitment.

Mr. Lamoureux: Mr. Chairperson, the Minister says an increase in wage automatically increases the ability to pay. I am not too sure if I totally agree with that statement. If you take into account cost of living, if inflation increases, your ability to pay even, if you get an increase, does not necessarily get larger. I would again ask the Minister of Housing for some type of a commitment to ensure that these two programs will receive cost-of-living increases on an annual basis, that it is not going to be left up to the will of the Government of the Day, that being of course the Conservatives, to change it as they see fit, when they see fit.

* (1500)

Mr. Ducharme: Mr. Chairman, our whole basis is based on that, on their income at the time, on 25 percent. I cannot understand where the Member is coming from to now say that we should completely change this particular program and take it out of context with the other ones that we are doing, because our particular programs are based on the ability to pay. We have

people who fortunately work and we help them out while they are working and when things are tough. You have couples, you have single parents who, over a period of time—there is no such thing as eviction in our programs.

Fortunately, people gradually work themselves out of these programs, and eventually their incomes are such that their rents are over and above what the rest of the market is. So I do not have any problem basing it on the person's income, because that is what our whole program is about. That is what it was with the previous administration. That is what our rules are with CMHC, and virtually all social housing programs in this country are based on the ability to pay, so I have a tough time with that because that is what it is all about. I do not want to see someone in housing paying who is not in that position. I know a lot of single parents and a lot of people who are willing to try and make their way, and we want to help them at that stage. We have other people, who through some circumstances, are not in that position, their income is never going to go up, and we are helping them out. I feel that if the Member is thinking of changing the system of social programs on the ability to pay of our housing program, I have a problem with that.

Mr. Lamoureux: Mr. Chairperson, I think the Minister misunderstood what it is that I am trying to say.

Ability to pay is a good basis to judge in terms of programs. The answer the Minister of Housing (Mr. Ducharme) gave to my previous question, that he had made a comment that an increase in wage automatically implies you are going to have a greater ability to pay, I am saying that if you have a \$1,000 a month job and you get a 3 percent increase in your salary it does not automatically imply that you are going to be able to afford to purchase much more if you take into account that for that year you might have 7 percent inflation. That is the message I was trying to get across to the Minister.

Mr. Ducharme: But it can work the other way also.

Mr. Lamoureux: I do not deny that it can work either way. I just made the statement that what the Minister had said should, to his own admission, work the other way.

Mr. Chairperson, I would like to move onto housing co-ops.

An Honourable Member: Before we do, might it be possible to carry on with that comment?

Mr. Cowan: I think what might be happening here is we are confusing ability to pay with flexibility. As I understand it, the ability to pay is a formula. It is a formula that applies across the board to individuals notwithstanding what particular circumstance they may find themselves in at a given time. As long as they are receiving an income, their rent or their cost of their housing is based on that income, and a percentage of that income—25 percent in most instances.

In the North, to tie that issue in with this, because I think they are related somewhat, we have found that is not always an appropriate figure. Twenty-five percent may work in a suburban setting, perhaps even in a core setting in an urban centre, but it does not always work in other geographic parts of the province because of differing economic circumstances. That is the factor that changes, not that the geography has that much to do with it, although heating costs are higher in areas where it is colder and other costs are higher and therefore 25 percent of income in one instance may mean more to the individual than 25 percent of income in another instance, although the percentages stay the same.

I see the Minister nodding his head. I hope he is not doing what he has done to me before by nodding his head in agreement and then telling me I am wrong, because I am going to assume he is telling me that I am right. I think he understands the northern circumstances.

Twenty-five percent might be a target or it might be an objective, but it should not be an absolute. No nod? Some nod. I will ask the question. Does the Minister consider 25 percent to be an absolute figure that should not be bent in any circumstances? Or are there, as in the circumstance I outlined, some situations where 25 percent may actually be relatively different to one participant in a program as opposed to another participant in another area of the province?

Mr. Ducharme: I am very aware that in the North we have made exceptions. We have changed that because as you can probably appreciate some of the salaries of the North are higher and we have not gone to that formula. However, that applies in other jurisdictions when you are dealing with the people of the North. I am saying the general rule of thumb is to apply 25 percent, and that is what we have generally done.

I would just like to indicate that we have a ceiling in the North.

Mr. Cowan: Actually I was approaching it from a somewhat different perspective. I was thinking more about the remote communities where actually the 25 percent is more of an economic burden on seasonal workers, even although there are provisions for only applying it during the season in which they are working low-income workers and individuals who have to pay very high transportation costs, recreational costs and other costs.

I just—and I am thinking this out as I express my concerns—I guess what I am saying is what the 25 percent is really supposed to do, in my mind, is provide for adequate and affordable housing. The 25 percent has been chosen because it does allow for some disposable income for an individual. We believe the food costs will be in the range of 20 percent to 30 percent, that there are basic necessities which will cost them a certain amount and if you factor—or a certain percentage of their income—in the housing at 25 percent that should allow them with some disposable income, because we are not setting up programs to make certain that families have no disposable income.

So in the North, where you have much higher costs and much lower incomes, the 25 percent is, in fact, an inappropriate percentage. It is too high if one considers it from the perspective of allowing for some disposable income to be left over at the end.

Mr. Ducharme: We have other cases, and I know the Member for Churchill (Mr. Cowan) is aware of them. First of all, we are dealing with CMHC and those are the guidelines they give us. You do have a difference in the heating allowance, because I remember looking at the buildings when I was up in Churchill. They have a real different problem in some of those, and the heating allowance definitely affects that ability to pay.

I think if we look at Churchill's they are probably around 15 percent, or in remote—I hate to refer to just Churchill, but in some of the remote communities you have your heating allowance that does affect it.

Mr. Cowan: The point I am trying to make is that there is flexibility in the program already. The flexibility, in this instance, is based on other costs. In other words, it is determined that because of low wages and higher costs there are more financial demands on individuals, and to charge them at 25 percent of their gross income for their housing would be inappropriate, so we have established a principle.

Mr. Ducharme: Well, do not forget that principle was established when the allowance was made by CMHC to allow the heating cost.

Mr. Cowan: As I recollect the history, I think we first—there was a difference between CMHC housing and MHRC housing. MHRC took the first step in discounting the heating costs including the heating costs in the overall rent figure and then we brought CMHC along, if I recall the history correctly. It may now be at a stage where we are in sync with each other.

There was one point in time where there was an inequity, and I thought we took the more progressive stand as a province and moved the federal Government along. Although I may stand corrected on that, that is my recollection.

Notwithstanding that, and I understand it is a federal Government policy, but I also have some difficulty and have had difficulty in the past with some federal Government policies and tried to change them from within when I had that opportunity. Now I am trying to change them from the peripheral by encouraging the Minister to carry on some of that action.

* (1510)

I want to go back to the principle, because if we take that same principle and apply it to the city, we now deal not with geographic groups but demographic groups and income groups, we will find that seniors have higher costs for their necessary services. Where you and I may own a vehicle or hop on a bus or get around in many different ways, seniors are oftentimes less mobile. Therefore their transportation costs are more.

Seniors have other costs that are increased with respect to just going about their daily business which

are higher than are costs of other demographic groups. Seniors are usually of a lower income than our other demographic groups. That is all statistically accountable and provable.

So if we can alter the principle of 25 percent with respect to geographic groups, I think we should be able to alter the principle of 25 percent with respect to demographic groups. Maybe the Minister should be working with his federal counterparts to encourage them to take another look at this arbitrary level, which he says is not an absolute, but to quote him, is a general rule of thumb, to see if we cannot manoeuvre that thumb a bit to bring down the cost of housing on a percentage base to seniors, on the principle that at 25 percent of income versus someone else at 25 percent of income they would end up with less disposable income at the end of the month than would someone else, and that would go against the intent of the program.

Mr. Ducharme: I have not looked at the figures that the Member is relating to. I do not think my staff has looked at the figures and the theory that he is using. I have tried to stay with CMHC guidelines on what they do nationally, because I guess different areas of Canada have different wants and different needs. When we looked at changing or improving the SAFFR program, we have our own factors that we use, and as I told the Member for Inkster (Mr. Lamoureux) and say the same thing to the Member for Churchill (Mr. Cowan), we feel that we have handled it. We have some time now to deal with what we are going to do as of January 1, '92. My staff has not stopped looking at those different messes that could apply to both the SAFFR and the SAFER groups.

Mr. Cowan: I certainly commend the Minister on that action. Quite frankly, it is something as the previous administration we did not do as well as we should have. I assume some responsibility for that, but I do not believe, notwithstanding what was not done in the past and what has been done just recently, that it fully answers the concerns of Mr. Mudgeok.

That brings me back to the point. What he is saying is when his income is increased his benefits are reduced, and in fact he ends up with an equal amount of disposable income when in fact that disposable income is too little to begin with. He says, and I quote from a letter that he sent to Mr. Downey: I understand that some seniors have private pensions, investment income, et cetera, but many of us are struggling to make out on no more than federal pensions which, as you know, are below the official poverty level. One increase I get once a year is my DVA disability pension, which, as you know, is not taxable but is included as income in my statement to SAFER, so therefore is considered in SAFER's computation.

He suggests that a lot of seniors, and I think I agree with him, are living below the poverty level. What I believe is being argued for here is some further flexibility to provide for fairer disposable income at the end of a financial period. I leave it in the Minister's hands. I do not expect an answer from him today, but I do think that Mr. Mudge has raised some very pertinent

questions and made some good suggestions. They should be pursued further.

The Minister the other day indicated that, well, one just cannot base the calculations on cost-of-living increases, and I would tend to agree with him. I also know that there have been in the past some fairly complex formulas developed which consider a number of factors in increasing or reducing levels of assistance that are designed, not for the purpose of being complicated, but are designed in a complicated fashion because of necessity and because they have to take into consideration a whole number of different sets of factors to be fair.

I would encourage the Minister to continue to work on developing that sort of a formula rather than to rely, as has been done in the past, on ad hoc increases based on criteria that are applied on one occasion or perhaps more than one occasion but are not continuous criteria against which the Government can be judged and against which people can base their own financial forecast projections and decisions.

That is all we are encouraging him to do now, to take a look at the issue of disposable income and develop a formula that may be more fair but would be an ongoing formula that could be amended from time to time if required on the basis of experience that would provide for a better sense of how the levels will rise and fall in relation to other economic factors.

Mr. Ducharme: Well, the only comment I have is that the only commitment I have made to the critics is that I told them we are continuing to look at SAFER and SAFFR. He has brought up some points in regard to disposable income, and also we probably have other programs that there are reflections in their disposable incomes, if he wants to go on with the handicapped or people who also have a tougher time getting around, they have to use the taxis, they have to use different methods so their cost of living is higher. However, we continue to use that formula.

The only commitment I can make to the Member for Churchill (Mr. Cowan) is that my staff is continuing to look. We do have some breathing room now to look at it because we have now made it to come in with the costs that come into effect in housing as of the 1st of January.

As he knows, the announcements on any increases are always announced in the fall. I have now bridged it so that it comes in in January and now it is up to us to look at it. That was one of the purposes why I as Minister recommended that date, because then it does correlate that if we can come up with something that is more equitable and probably a formula that we can use, then we do not have to go back and readjust again.

Sure, I took some knocks at the previous administration. You cannot expect them to do everything, but I must say to them that—the same as this Minister cannot look at everything. I did look at the start-up date figuring it will be January 1 so that we can tie in when everything else is increasing in the rental market, if there are increases in the rental market.

We tied it in with January 1 of '90, and we will look at those formulas.

Mr. Chairman: Shall the item pass—the Member for Inkster.

Mr. Lamoureux: Mr. Chairperson, I want to move on to the Co-op HomeStart Program. Before I do I just want to state—last year it was determined as not being a conflict of interest, but as the Minister is aware, I am a board member of a housing co-op, even though I am not an active board member. I hope he does not perceive it to be a conflict of interest.

Mr. Ducharme: No, I would not perceive that. I hold a broker's licence and I am Housing Minister. I do not derive any income from a broker and I have never tried to hide the fact. I cannot give up my broker's licence, simply because we do not know what our day will be another day. I am not going to give up my broker's licence. I do not perceive someone in a housing co-op as a conflict of interest.

Mr. Lamoureux: Given that, I would like to ask the Minister of Housing: he has replaced the Co-op HomeStart Program with another program. Can he in brief give a background in terms of what is the difference between the two programs?

Mr. Ducharme: Virtually, the grants that were previously given, there was a grant up to \$5,000 for a co-operative HomeStart program for the organization of a co-op, we have replaced that with a MACSM-PDF loan, depending on the size and complexity of the proposed project. We brought that in to be a PDF of \$30,000, and this would be a loan against the particular project. If we did advance a PDF loan of \$5,000 and it was unsuccessful, I guess you would then say it would be a grant, but if the program was successful we would perceive it as a loan against a project like we do with our other projects like our RentalStart Program. That would be a first charge against the first draw in the mortgage. If they drew up to \$25,000 then that would be a loan against the project and have to be paid back to us.

* (1520)

Mr. Lamoureux: Mr. Chairperson, the Co-op HomeStart Program helped many fine co-ops get off the ground, co-ops such as our Maps and Filcasa and so forth. The Member from Churchill (Mr. Cowan) asked who started the program. Had it been a Liberal Government, we probably would have seen maybe an enhanced program of that nature. Anyway, it is a program that did facilitate the needs of many non-profit community oriented groups and associations to take the initiative and to start up co-ops. In fact, the co-op that I had mentioned started off because of that particular program. Other co-ops that I have talked to have spoken very highly of that program and really have said that it is a program of that nature that allowed them to get going.

Mr. Chairperson, I see a big difference between the Co-op HomeStart Program and what the Minister has

replaced it with. We were looking at a grant and now we are looking at a loan. The grant itself issued \$5,000 so that co-ops can get things going, they can get the technical resource group and so forth, so that they can look at the feasibility of a project. Then they had a further grant of \$12,500 to go ahead and get the ball going a bit further on the project. Now this cost helped or assisted in ensuring that a program's final cost will be that much less. For some co-ops that \$17,500 is a substantial cost, especially if you put it on a mortgage over a long period of time.

I would ask the Minister, if he does not agree that there is a distinct disadvantage to co-ops now that are going to be starting up under this program, in terms of initiative, where does he see the initiative coming from this particular program, where it is better than the previous program.

Mr. Ducharme: I just believe that now they are on the same level as all other non-profit programs. We have some programs as of November 21: the co-operative units at Kingsford House Housing Co-op, 75 units, PDF approved, 30,000; the Art Site Housing Co-op, 35 units, \$7,250; Cosite Housing Co-op, eight units, \$29,500, PDF; First Plus Community Housing Co-op, 15 to 30 units, \$5,000, PDF approved; the Ruby Housing Co-op Limited, \$5,000.00.

We felt that this system would bring it in the same as our other non-profit groups. Our number of co-ops anticipated for approval, and which have been approved for '89, is not down from what it was before. We have over 5,000 of amounts and I think if you look at the previous years, '88-89 was \$4,685,000; '87-88 was \$5,175,000; '86-87 was \$3,396,000, so we are not—that was just a figure that I have here. We are projecting—when I say \$5 million, I am told it is closer to \$6 million. We are not having our Co-op HomeStart fall by the wayside as a result.

I know the Member for Churchill (Mr. Cowan) will have his questions in regard to this, but we felt that we would bring it in line with the rest of our non-profit and this is the route that this particular Government decided to go on.

Mr. Lamoureux: Mr. Chairperson, to the Minister: how many applications for the Co-op HomeStart Program were received in '87-88 here?

Mr. Ducharme: Twenty-four co-ops.

Mr. Lamoureux: Not the number of co-ops, what I am asking for is the number of applications that were submitted in '87-88, '88-89, and then this year thus far.

Mr. Ducharme: We do not have that number, not for the amount that were submitted.

Mr. Lamoureux: Mr. Chairperson, I would suggest that if we look in terms of the number of applications that were submitted we will find out if in fact it is going to have an impact on the change that the Government has put in. For example—and I have to use speculation

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because we do not have the actual numbers here, but using speculation let us say that there are 70 applications in one year and 75 in one year. I would anticipate that it would increase somewhat every year. As more people become aware of the program there would be more applicants. Then there should be 80 for this year. I could be way out on the numbers, but the idea is that every year it should be increasing.

Mr. Chairperson, what I am suggesting is now that we have taken away a grant and put in its place a loan, we are not going to have the large number of applicants that we would have, or the same number of applicants that we would have, had we kept the previous program of a \$5,000 start-up.

Mr. Ducharme: I guess the other question is, would he also—and we have records to indicate which ones got to the table of when they would apply under the previous method of \$5,000 or \$1,000.00. How many of those went ahead? He has also got to ask that question too, and we can provide him with that.

I think under the life of the program it is anywhere from 20 percent to 25 percent which went ahead after you gave them their original grant of \$1,000 or \$5,000.00. He also has to compare that.

* (1530)

Mr. Lamoureux: Mr. Chairman, the Minister is quite correct, but you also have to take into account that now we have a \$30,000 loan instead of the \$5,000, so that tells me that it is a 6 to 1 ratio in terms of money that can be lost. I would also suggest that the numbers or the chances of a non-profit organization of taking the initiative and looking out or trying to develop a co-op will not be the same because they are no longer looking at a grant. Rather they are looking at having to acquire a loan which will also increase the cost of the unit. They are going to have to charge more to the resident of the co-op, which automatically implies that in some cases that might be the deciding factor that might prevent a co-op from coming into being.

Mr. Ducharme: They do not have to come forward and ask for \$30,000.00. They can take \$1,000; they can take \$5,000.00. Then if it is unsuccessful, it is a write-off. So all we are saying is that the co-operative must be formed. That is all we are saying. They can come in, and if it is unsuccessful, that amount—right now if they go ahead and start with a co-op figure of \$17,500 and it is unsuccessful, we are out the \$17,500.00.

Mr. Lamoureux: The first \$5,000 in which you are going to get some type of a deal, whether or not it is going to be successful, the 12,500 is another component to the program, is it not?

Mr. Ducharme: That is right. We are not saying that that 5,000 is no longer available. We say they can have 1,000; they can have 5,000. We are saying that at least when they come in, we found with the program when you figure there has been only 25 percent successful factor ratio that maybe there should be, when they do

come in, that they are a co-op that is ready and willing to go, they can come in and they can apply for a \$5,000 or 2,000 or 3,000, and if it is unsuccessful they do not have to pay that particular amount back.

Mr. Lamoureux: Mr. Chairman, I am wondering if the Minister is concerned about the success ratio of a co-op, then would he agree that, if a co-op is successful, what would have been the \$17,500 grant that they would have received from the co-op HomeStart Program, can that then be deducted from the loan?

Mr. Ducharme: What we are saying and I do not quite follow the individual, what we are saying is that when they come into the program and they have \$5,000 and they come back and ask for another 12 which would make 17, is the Member from across the way saying that we should forgive automatically the \$5,000 if they are a successful program?

Mr. Lamoureux: Mr. Chairperson, I am wondering if the Minister can clarify, is that a \$5,000 grant? Is that money not forgiven?

Mr. Ducharme: We write off the losers that come into the program and we add the other amount to their mortgage and it is the first draw against their mortgage, the same as we do in other programs.

Mr. Lamoureux: Mr. Chairperson, I would be interested in hearing the actual number of applicants if the department does have it, if not today, sometime before the end of January actually, because Housing Estimates will likely wind down so it is not like I need them urgently, but I am interested in receiving the number of applicants that did apply for this particular program.

Mr. Ducharme: What my staff will do, you had some other questions the other day and they are gathering the information that we cannot answer right away and we will provide you with that information.

Mr. Chairman: Shall the item pass—the Member for Churchill.

Mr. Cowan: I missed part of the Minister's comments, but I did catch the first part in which he said that the reason for this change, or at least one of the reasons for the change, was to bring into line this program with the other non-profit housing programs, the criteria. I think he phrased as well to have the same level for all the programs. Was that the only reason for the change?

Mr. Ducharme: I would say that would be the main reason for the change. I think there were a couple of other reasons that this particular program is not geared to an individual's income. I guess that was taken into consideration that if these groups can get together and we can advance a loan for them to get going and advance them further monies, they are in a little different position than probably some of the other non-profit groups.

Also, if you look at the unsuccessful ratio of the co-op program of 25 percent of them picking up that we

did advance the funds for, that was also a consideration. What we are saying is that when a co-op is ready to get into the program we are willing to advance them up to \$30,000 if through some unfortunate circumstances that it is not successful after they have formed their co-op and once they got going, then I guess we know that would then become a grant. We cannot go after them for the money. However, if it is a successful program then we expect that money to be paid back.

Mr. Cowan: Why could you not go after them for the money?

Mr. Ducharme: I do not think that is the idea of a lot of our programs. We have RentalStart Programs where we do not go after them for the money. Remember that Governments are to be there to probably work with different groups and that is basically what we are after. It is part of the program to get groups going. In the case of co-ops, once they have formed their co-op we are willing to help them with getting their start-up requirements that they need.

Mr. Cowan: You mean that there is nothing in the loan agreement that says if they fail to proceed the Government could take any action against the individual or the co-op itself?

Mr. Ducharme: If it is a successful program and they comply with what we are requesting, of course we can go after the money. We are saying that it is now successful. However, if it is unsuccessful, we are not going after them for that money.

Mr. Cowan: I hear the Minister say they are not going after them. Would they be prohibited by the agreement from going after them under those circumstances or is that a policy decision?

Mr. Ducharme: What I am saying, and I just wanted to double check to make sure, if the program is successful and they do not give us the monies, in that particular case, we take it off the first draw of the mortgage. If it is not successful, we will not be going after them for those monies.

Mr. Cowan: The Minister says we will not be going after them. The question is very explicit. Can they if they wish to? Maybe it would help if we had a copy of the program criteria and the application.

Mr. Ducharme: We can get you that copy.

Mr. Cowan: In the meantime, the question again is, is there a way that they could go after them if they wanted to or are they prohibited if it is an unsuccessful co-op?

Mr. Ducharme: Where would you say unsuccessful? Are you saying that if they fully qualify, they are ready to go ahead, they have drawn up their plans, it is a viable program, they are ready and they have drawn, say 17,500 against a program, and then they decided not to, they aborted, is that what you are saying is an unsuccessful program?

Mr. Cowan: The Minister was the one who first used the word "unsuccessful" and that was in his first response to the Member for Inkster. He said, if it was an unsuccessful group, then it would be considered a grant. So I would ask the Minister what his definition of unsuccessful is.

Mr. Ducharme: I would say that if they started with the program, they took the \$5,000 out and they had already formed their co-operative and they said, we have done our studies and we have done our little marketing and everything else, that I would suggest that would be an unsuccessful program and we would not go after them for the money.

Mr. Cowan: The Minister says they took their \$5,000 out. That could be up to \$30,000, I would assume.

* (1540)

Mr. Ducharme: The first phase is for five.

Mr. Cowan: Okay, let us assume they made it through the first phase and then in the second phase, which would be for—

Mr. Ducharme: Up to \$17,500.

Mr. Cowan: Up to \$17,500.

Mr. Ducharme: \$12,500 more.

Mr. Cowan: Okay, \$12,500, in some cases \$12,500, and they found at that stage that they could not make a go of it, would it be then considered unsuccessful?

Mr. Ducharme: I would suggest that if they comply up until the stage of the \$17,500 that we would have to—and they decided not to go ahead—be right in the \$17,500 on.

Mr. Cowan: So there is no way they could go after the participants for that \$17,500?

Mr. Ducharme: I am not saying that. I think you would have to make a judgment call. What did you do under your previous program?

Mr. Cowan: We had a grant, to answer the question for the Minister. What he is telling me—

Mr. Ducharme: It is no different.

Mr. Cowan: Well, now we had a \$5,000 grant and it did not go anywhere, because the Minister said there was a unsuccessful ratio of about 25 percent, then that grant is a grant. It is a grant in either instance. We do not go after that grant. The Minister is saying they are not going to go after this \$5,000.00. Is that a fair—

Mr. Ducharme: It is a conditional grant.

Mr. Cowan: What is a conditional grant?

Mr. Ducharme: It is the same as under your program. It was a conditional grant also.

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Mr. Cowan: No, yours is a loan.

Mr. Ducharme: When is it a loan and when is it a grant—

Mr. Cowan: Indeed.

Mr. Ducharme: No, but that is what we are saying. We are saying if it is unsuccessful we are writing it off. If the program is successful and goes along the way then they owe it to us.

Mr. Cowan: So it is not very much different than the previous program, is it?

Mr. Ducharme: No, it is different, because we are now giving up to \$30,000, where in the previous one you only gave up to \$17,500.00.

Mr. Cowan: The first \$5,000 is rolled into the mortgage.

Mr. Ducharme: On this particular case it is rolled into the mortgage.

Mr. Cowan: And that is the only difference?

Mr. Ducharme: Basically, and I explained it to the Member for Inkster (Mr. Lamoureux), the only other difference would probably be that the co-op has to be formed, where under your program the co-op did not have to be formed yet.

Mr. Cowan: I am having a great deal of difficulty understanding what positive benefit came out of this change in this program then.

Mr. Ducharme: The basic reason was, and it is quite open, and I thought maybe you would bring that to our attention, that we are saving operating dollars by recovering through capital, loan dollars, and we have never denied that.

Mr. Cowan: I wanted to hear the Minister say it.

Mr. Ducharme: I have never denied that.

Mr. Cowan: The Minister said he has never denied it, he never said it either. The fact is that this is a cost-saving measure. It saves the Government some money.

Mr. Ducharme: Yes, about \$180,000.00.

Mr. Cowan: The Minister said it saves him about \$180,000.00. That savings is a cost to the co-operative sector generally, because we are talking about a closed circle here; it is a pie. If you take \$180,000 out of the co-operative sector you are costing that amount, and you are making them repay it to the Government. So it is a savings in that amount to the Government.

That is the point that I think the Member for Inkster (Mr. Lamoureux) was trying to make, and that is the point that I want to make. This, in fact, is a cost-saving measure. It is not intended to enhance the program. It is not intended to result in more co-ops being

designed and built, and I do not believe it will. I think it will result in fewer. It is a program that runs contrary to what we were trying to do as a Government with our Co-op HomeStart Program. It is not a major change—I will give the Minister that—but it is a negative change nonetheless.

For that reason we are opposed to it. It took a long time to get it out of the Minister, but the fact is that this is here to save the Government some money, and in saving the Government some money they are costing the co-operative sector some money. I think that will have a negative impact.

Mr. Ducharme: The saving was \$120,000, the total was \$180,000.00. If you look at your years, that you were in it, that total budget—when you take a look at the ones that were completed and the ones that were cancelled—your total budget in '84-85 was \$46,000; your total in '85-86 was \$42,000; '86-87 was \$105,000; '87-88 was \$130,000, and we are at a factor of \$120,000.00.

What we are saying in this particular program is we felt that with the ones that were unsuccessful that started up, and you only had a 25 percent successful factor, we felt we could probably help those ones that established their co-ops. They get a grant to get going with theirs. They get a further amount that is increased up to \$30,000.00. We felt this is the route that we wanted to go for '88-89 and to bring it of course in line with our other programs.

I think the biggest fact we have to remember is that these—and I have to redefine—these groups are people who generally are not in the wage brackets that the others are that we are bringing our programs in. The other ones are in subsidized fields. We felt those are the ones that we wanted to service more. That is why we took this stand.

Mr. Cowan: But this does apply to some low-income groups. It applies to the Native groups that are trying to start co-ops; it applies to the seniors groups that are trying to start co-ops; it applies to the disabled groups that are trying to start co-ops; it applies to the immigrant groups that are trying to start co-ops. In other words, if it is a program that is across the board, then it would apply to all those groups.

* (1550)

I would ask the Minister specifically though, how it is this program is going to result in less of an unsuccessful ratio—which he said was 25 percent with the previous program—than the previous program—because to my way of thinking it adds a cost to the co-op that has to be built into the ongoing rent structure in the co-op, or ongoing fee structure in the co-op, and monthly charges. If anything it would make the co-op more expensible, though marginally so—it is not a major factor—and would result in fewer co-ops going ahead rather than more co-ops going ahead.

For someone to get into the program to find that out in the first instance they would have to apply, and when they found that out—if that was a deciding

factor—they would be considered unsuccessful according to the Minister's definition. I do not see how it is going to change the success ratio or reduce the number, on a percentage basis, of unsuccessful starts or attempts at starting co-ops.

Mr. Ducharme: Once the housing is completed, you have to remember that this does not affect your subsidized. It does not affect them.

Mr. Cowan: How is it going to make it more successful?

Mr. Ducharme: I really believe they will be further down the line when they do come forward. They have established their co-op and we feel it will be more successful. So I guess it will be the same argument again. You can always say, well, we will see, but I am on this side on this one, you are on the opposite side. I feel that it will be more successful.

Mr. Cowan: As the Member for Inkster (Mr. Lamoureux) said across the table, time will tell and time is short so we will have to let time tell in this instance. It is no surprise to me that I find myself on different sides of an issue with the Minister with respect to the philosophy of providing co-operative housing. I think it is very clear here that we do have a different approach and a different philosophy. I understand that he thinks his will work better. I hope he understands that I know mine did.

Mr. Ducharme: I say to the individual that when you are looking at subsidized housing I guess we do have a different philosophy. I feel if you are going to put your dollars, you put them with the people who best need it and that is to subsidized people. The Member knows I am not just saying that, because he knows where my position is on that. If that is where you have to put your dollars, the dollars that are available, I will go to that door anytime. I feel that is where—if I am going to do any cutting back in dollars, I would be looking at the ones that -(interjection)- I believe that we have told you that the subsidized people will not be affected and we feel that the people who most need it are those who are subsidized.

Mr. Chairman: Shall the item pass—the Member for Inkster.

Mr. Lamoureux: I just have a couple of questions before we pass this particular item. One is in regard to shelters for battered women. The federal Government came out with a program in which we saw the capital expenditures or capital allotments of I believe it is \$360,000 for those shelters that are going to be constructed in this fiscal year.

I was at a meeting the other day and one of the persons who was at that meeting had suggested that The Pas, even though it has a shelter, there is a need for a Native shelter in The Pas. I am wondering if the Minister can comment if his department agrees that there is a need in The Pas, or in addition to that if he can tell me if there are any other shelters that he is looking at putting in Manitoba?

Mr. Ducharme: I was just looking at some notes. Maybe the Member could repeat the last part of his question.

Mr. Lamoureux: It was that, are there any other places that the Minister is looking at putting up shelters for battered women in the Province of Manitoba, in particular in The Pas for Native women?

Mr. Ducharme: First of all, let us not have the record not note this Government's program on this particular issue. We have established and put quite a number of dollars into the Osborne House and completely revamped their particular shelter, and we have done it. We are now working with another Native group in Winnipeg and it is almost finished. This particular Government, through Family Services has really shown the forefront, if you take a look at the Osborne House, it will be complimented by people across Canada who are looking at this particular project.

We feel that any programs that we establish, if we are building a shelter, we will work that with Family Services. Generally what we do at Housing is if Family Services will provide us with the per diems that are required to keep up the shelters, we will work with them. We have to establish per diems before we establish the shelter. There is no use building a shelter and not having a per diem established.

What I am saying is we will continue to work with all the groups and establish the—we know it is concern and it is a concern that I addressed quickly when I was the Minister in regard to the Osborne House. I sat down with the people from Osborne House the same as what I did with the Native who were local. To me it was a very, very personal thing because I have had some personal conflicts with spouse abuse and to me it was a critical program. We are looking at, for instance, there are others groups and not the one in The Pas, there is the one at Westman and there is the one at Parkland in Dauphin. Some of them are trying to establish sites. The one in Dauphin just had something going in their area to establish a site.

What I am saying to the Member is that we will work with Family Services on their per diems and I think you have to establish the per diems before you build the shelters because you have to have your ongoing cost. There is no sense in putting the shelter in and not have the ongoing cost established by our department to build a shelter.

Mr. Lamoureux: I am concerned that if the Minister of Housing does believe that there are other places that are going to be having shelters that we take into account that there are federal monies, and I believe it is \$360,000 to put toward the capital maybe he should be communicating with his federal counterparts and maybe making the suggestion that we might have some more shelters coming on beam so that we are not left out of \$360,000 which would help contribute because from what I understand that particular program is just a one year program. It would be sad to see that we decide that we are going to put up a shelter in November of 1990 and find out that money is no longer available for whatever reasons there might be, that is the only suggestion that I am just leaving with the Minister.

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The other question regarding shelters I wanted to bring up is, in many cases, and I have toured the old Osborne House and I had some discussion with a couple of the people who were there, and one of the concerns that was brought to myself and not only at that house but also a phone call I had received several months back was the fact that a battered woman who enters into the shelters, concerns are where is she going to be living after that time limit. I believe it is 21 days that they are allowed to remain in that shelter. In fact, you have a lot of women who are concerned about that to the point that they are not getting the consultation that they need. I am wondering if the Minister would comment on that and maybe tell us if he has any plans on building transitional housing.

Mr. Ducharme: The only thing I have to say to the Member is that if you saw the old Osborne House he will see why it was a priority of this particular Government and of this Minister in establishing that. I am not denying that we have not a long ways to go to establish other shelters, I am saying to the Member that our responsibility is to establish the shelter. However, I am saying to him that is working with Family Services. That would be like building a school and not putting any teachers in the school. I say that we will continue to work with Family Services on all the shelter requests that come forward.

In conjunction with them we will establish shelters throughout the province because we feel it is sometime that—it is a very uncomfortable feeling to be involved in that process of the children and battered women. It is not nice when persons or families are living within that intolerable situation, that should be considered. We have considered it a high priority. I do not know how more committed I could be, he has brought up and we have been addressed by a group from the Catholic Women's League at a meeting in regard to ongoing for those who come out after those periods of time.

* (1600)

Not only does the department continue to fund new shelters for local service agencies, it also encourages local housing authorities. We are encouraging through Winnipeg Regional and other housing authorities to set aside public housing units for the transitional housing purposes. We at Housing are looking at that long range that they need to establish themselves.

I know some individual cases that have used that facility and I am not always saying that is always the answer, but we have addressed that from the housing aspect. The Member is saying that there should be a different per diem necessary and then I would suggest that is another department. We at Housing will continue to build the housing when the per diems are available. I will keep making sure that we will continue to fund or to make sure our local housing authorities encourage the use of public housing units for the transitional levy that he is talking about.

Mr. Lamoureux: Mr. Chairperson, the second part of the question was regarding transitional housing. I think,

and my Party believes, that it should be a very high priority that we should be looking at developing transitional housing—not in terms of the long term—that we should also be thinking in terms of the short term, that women that are in need of this particular type of shelter—and we do have housing stock, we do build housing, non-profit housing, every year. I do not see why we are not able to move in a much faster fashion in converting one of our non-profit housing complexes into transitional housing. I think that it can be done in a relatively short time span I and would ask the Minister to make some type of a time commitment, if possible, to having a transitional home for battered women.

(Mr. Darren Praznik, Acting Chairman, in the Chair)

Mr. Ducharme: I have a little difference of opinion on whether it should be a transitional home or scattered units after you have gone through the transitional period, or when you are in the transitional period. I must say to the Member that it is unfortunate that he was not there to hear the words of the Osborne House people to say how happy they were to get such a unit built and provided.

I must say to him that we have shown where our parties are on the abuse, and I myself, as Minister, feel very, very proud because it is a combination of Manitoba Housing along with Family Services to establish the units we have established in the short time that we have been here. I ask the Member to maybe go and visit the one at Osborne House, the new one, now that he has seen the old one. He will see the drastic difference that is occurring there. The people over there are ecstatic of the type of operation they have there and those are the types that we will continue to work with. As I said to him earlier, we are looking at Westman and we are looking at Parkland in Dauphin and Westman in Brandon and will continue to look because it is a problem that is not going to go away and this particular Government is facing that problem. We have shown that it is a priority in this particular Government.

Mr. Lamoureux: I have talked to people from Osborne House; I have also talked to the Catholic Women's group that he heard from; I have also talked to the people that were in the Women's Agenda. Transitional housing that has been discussed, at least with myself and other members of the community is something of more a short-time stay from Osborne House or from whatever battered shelter that they might be from.

We are not talking about them staying for indefinite time periods. You are looking more like a six to eight months and something of this nature, because as it stands right now, after the 21 days, they are out of Osborne House or whatever shelter it might be and in many cases have no place to go, because if you give Winnipeg Regional Housing Authority or any other of the authorities, that they are not guaranteed to be able to gain entry into one of these complexes, one of these Authority's units.

That is where my concern is and I believe the Minister can move much quicker towards transitional homes.

Mr. Ducharme: I have already stressed to the Member that we have encouraged our Housing Authorities to

set aside public housing for units during the transitional. Just to give him an example of what the Osborne House Centre, the capital, because that is what I am dealing with, I am dealing in Housing in capital. An abuse centre, the cost for a 45-unit count was \$1,295,550 and now we are involved in the other Native crisis centre that we are developing for them, so it is a priority in this Government and will continue to be so.

The Acting Chairman (Mr. Praznik): Shall the item pass—the Member for Churchill.

Mr. Cowan: One point with respect to the philosophical approaches and leave it at that. Sometimes others say things better than we can on the spur of the moment in this forum, so I want to read to the Minister from an article out of this recent edition of this magazine which was written by Grant Wanzel, who is on the faculty of the School of Architecture at the Technical University in Nova Scotia, and is also a housing activist. I just want to read some selected quotes, although I can assure the Minister that they are not selected just to discredit his and his federal Party's policies in this regard, but they are selected because of time constraints and they do reflect the overall article.

Mr. Wanzel says that—and this goes back to what we were saying about targeting housing to those most in need—Tory policy has specifically targeted social housing assistance to those in core need. All national housing programs of support to the private sector had been terminated, a gesture one greets with mixed emotions, since programs in question were of immense benefit to the private sector while the direct benefit to those in need was less clear. But he goes on to say that nonetheless, whereas as both direct and indirect support programs once widely applied and so played a redistributive role, now only a small fraction of the population is able to derive benefits from ever-dimishing and increasingly targeted subsidies.

He goes on to say later in the article that whether Liberal or Tory, Canadian housing policy has followed a clear and predictable path for the last 10 years. The prospect for those on low and fixed incomes and for increasing numbers in the working and middle classes have progressively worsened, drastically at the outset and catastrophically in the last two years. That would be under the Mulroney Government. The future seems to hold more of the same and worse.

What he says about the overall policy, I think is quite illustrative. He said that if one-third the one-half of our annual housing production had been in the not-for-profit sector each year, we could have balanced production among the sectors and stabilized the entire housing industry, supply and prices, if our housing priorities had been determined by need rather than profit and ability to pay by concern for regional development and universal access by commitment to an equitable distribution of opportunity between large and small urban sitters, between rural and remote areas, we would not now be discussing how to more accurately target assistance to those in core need, a contemptible exercise that degrades its participants.

I agree with that last statement. It is a contemptible exercise that degrades and ghettoizes its participants

and that is the point I was trying to make with the Minister somewhat earlier, that the policy he is taking is not a policy that is only his own. It is a Conservative policy, generally, and it is a policy that has a very undesirable effect, so I do not want to get involved in a far ranging philosophical debate here. But I do want to point out the difference in the philosophical approach and in this instance use someone who supports the New Democratic Party approach more so although I do not know whether he is affiliated or not affiliated with the Party. It is in effect an approach which I believe is shared by progressive people and for that reason one which is worthy of consideration.

* (1610)

I would ask the Minister to rethink his own philosophical priorities and move away from what has been termed to be a contemptible exercise.

Mr. Ducharme: To the Member, would he make sure that I get a copy of the particular article? I am always reading articles that are in magazines to get different opinions of different people coming from different ways that they feel are handling the necessary subsidized housing. I just have to make the Member aware that the housing we are building right now, that we have been carrying on with, are the same agreements the Member signed, his previous administration signed. We are not deviating from his original agreements, we are basically working with those same agreements. If the Member would again send me a copy of that article, I would appreciate it. Maybe as I come through other articles, when I come forward, when I am reading them, I will send them along to the Member.

Mr. Cowan: I would be pleased to put the Minister on my targeted mailing list for those in need of intellectual stimulation in respect to progressive housing policies.

Mr. Ducharme: I find the intellectual stimulus which is necessary, is usually bedtime reading that you need, and that study you need when we are listening to everybody talking in the Legislature on the different Bills. It is quite stimulating to read and not hear sometimes.

The Acting Chairman (Mr. Praznik): Shall the item pass—the resolution before the committee is:

Resolution No. 82: RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,245,600 for Housing, Operations for the fiscal year ending the 31st day of March, 1990. Shall the resolution pass—the Member for Churchill.

Mr. Cowan: Yes, I just want to ask a couple of questions and perhaps not even expecting the answers now because of limited time, that we did not ask previously with respect to some groups, and one is for the Minister to provide at a later date a copy of the affirmative action policy of the department, as well as the expected results and the results we have experienced over the last couple of years.

In doing so I make the point that affirmative action in the Housing Department is crucial, given that it

provides for a better understanding of some of the problems that face some of the target groups. It also provides for a better liaison with those target groups. It is crucial, particularly in the North and in the core area that affirmative action help the department develop that expertise and that increased sensitivity. That is not to say there is not sensitivity already there, nor expertise, but I believe further efforts are needed.

As well, I would like to ask him if social services departments have access to their computer information with respect to rental housing, and if there is a co-ordination of that information between the two departments. Again, that can be a question he can answer in writing at a later time.

Finally, I would ask him if the planning function of the department provides ongoing direction with respect to planning for development, such as the Ladco deal and the College Green deal and the disposition of Crown land, and if he can indicate to me, again in writing at a later date, how that process involves itself in those planning efforts, particularly in the joint ventures.

Mr. Ducharme: Maybe just a last question—college—repeat that?—Green deal -(interjection)- no, that has nothing to do with it. We will provide you with those. The only thing I can say to the affirmative action is that our department is probably, at least as—I guess it is not much of an answer, but I will make sure I get you the answers—equal or better than most other departments because I have had reports as Minister, and I will provide you with those.

I am not aware of any computerized program that is interaction between social services, but I will provide you with that. I will make sure that we ask our computer people.

The Acting Chairman (Mr. Praznik): Shall the resolution pass—pass.

We now proceed to the next resolution. No. 4. Transfer payments to the Manitoba Housing and Renewal Corporation \$31,676,000—the Member for Churchill.

Mr. Cowan: Just on a general note, Mr. Acting Chairperson, I think we have had a good debate here. We have not had answers to all of the questions we asked, but that is always the case. We do appreciate the co-operative way in which the Minister has tried to answer that which he can, and look forward to receiving further information. Once again, this has been the case in the past. We have discovered that we have different philosophical approaches, and I always enjoy the debate with the Minister with respect to those different approaches. I have been somewhat critical of what has transpired, sometimes in some specific areas, sometimes from a more general perspective, but I believe as well, there are areas where the Minister has made some positive change, limited as it may be.

I have to say that, and I believe that to be the case because I believe a lot more can be done and there are some areas where I think he has gone in the wrong direction. We will look forward to other opportunities for debate to discuss those. There are some areas

which we could not touch upon because of time constraints, but I am certain there will be other chances for that debate to proceed as well.

I do believe the Minister has been forthcoming and co-operative in his answers and do appreciate that sort of approach to the Estimates process. Although we have our disagreements and I do not think he is doing all that great a job, at least he is honest about it.

Mr. Ducharme: I appreciate your compliments. I knew we would have a difference in philosophy and I have enjoyed the exchanges. I have particularly enjoyed some of the exchanges between the NDP and the Liberals in regard to who is going to take credit for Bill 42. One, who had made a recommendation, used one of the 138 from review and put it on the Private Members' Bill and considered that the Bill itself. We had another Member on the other side who took consideration because he said we had planned it, and we had not had a chance to do it. I will take credit for at least putting it on the floor.

I do not expect to see compliments from the other side of the House simply because in this particular ball game you do not get compliments from the other side. You have your job and I have mine. I do not expect to compliment the previous administration either or—you know. I am just saying that my staff will not always have all the answers ready for them. I will not as Minister. I am not embarrassed not to always have all the answers because I am not a bureaucrat, I am a Minister. We have provided—there are not too many cases we have not provided all the answers. We will give them the answers to his closing questions and we will get to them very, very quickly.

Mr. Lamoureux: In summing up, I too would agree that maybe there is a substantial difference between this Government and the Liberal Party and the direction we would like to see the Department of Housing entering into. I think it can be relatively well summed up in terms of the Ladco and MHRC deal, whereas we have an agreement in which it is perceived, and admitted to from the Minister, that the bottom line was the dollar figure. I think we have to be putting more time and more effort and more resources into ensuring that the non-profit sector, our low-income families and seniors have proper housing and that we should maybe be putting more emphasis on those types of programs that will further enhance it.

* (1620)

I also believe that co-ops should be enhanced greatly. I think we should be looking at possibly converting some of our non-profit housing into co-ops. I think there is a lot of room to grow in the co-op sector and I think that is a direction, I believe that is a direction, I know that is a direction the Liberal Party would move towards, and I would hope the Government would even give some consideration and adopt that as a policy.

I would like to compliment the staff. Mr. Acting Chairperson, since being elected I have called them on numerous occasions and have always been pleased with the answers and the frankness that I received from

the people who were on the other end of the telephone. I appreciate it very much because I do not necessarily have the experience, as the Member for Churchill would have. I was able to gain a lot of insight by many of the conversations that I was able to have with the staff, so I would like to thank them for that and for their presence here. We will see you around, probably next time next year. I will leave it at that.

Mr. Ducharme: The only other comment -(interjection)-

The Acting Chairman (Mr. Praznik): Order, please. Order. The Honourable Minister has the floor.

Mr. Ducharme: It looked like the Member for Inkster was gearing his way, I guess, to getting easier answers on the phone when he phones the staff. My staff has always been good to the Minister. I must also mention though because the Member, and only because the other Member brought up about the Grandin Park South that finally he had established—and I know the Member across the way, for Churchill, did come out and say that he considered that we did probably receive the best proposal. He felt that there were not any monies involved and it was nothing to do with who had looked after who.

I am surprised at the Member for Inkster (Mr. Lamoureux), after all the times they went after me in the House, to say that you did not get the best proposal. Then he found out there was a lot of profits involved and decided that we were only in it for the profit. With the Member for Churchill (Mr. Cowan), I always knew he was always one who would go after me because there was profit involved. So I knew where he was coming from.

The one I had a hard time understanding was the Member for Inkster when he and his Leader of the Opposition (Mrs. Carstairs) for days told me that I did not get the one with the best profit. I guess only time will tell. However, when he did decide that we did make a profit, he said that we were only in it for profit.

I wanted to say that this Minister spends hours and hours reviewing, trying to come up with what our housing proposal is, and that is expending the capital that we probably have this year of over \$90 million in capital funding for our programs, not counting any subsidies and these types of things. We will carry on. I know this Minister feels that the sector of the subsidized and looking after those that require, that their houses are required, and everyone should have a home. I, as Minister, will carry on that program.

The Acting Chairman (Mr. Praznik): Shall the resolution be passed—pass.

Resolution No. 83: BE IT RESOLVED that there be granted to Her Majesty a sum not exceeding \$31,676,000 for Housing, Transfer Payments to the Manitoba Housing and Renewal Corporation, for the fiscal year ending the 31st day of March, 1990—pass.

The next matter, No. 5. Expenditures Related to Capital, 5.(a) Home Repair Program, \$350,000—pass.

5.(b) Canada-Manitoba Winnipeg Core Area Renewed Agreement; 5.(b)(1) Core Area Initiatives Programs, \$1,826,400—the Member for Churchill.

Mr. Cowan: I just want to make the point that in not discussing these items that we are doing so because of time constraints. There are other Estimates that have to be proceeded with. We feel we have had a general discussion during the course of the debates, and we would not like the Minister, like some of his colleagues, to suggest that the Opposition has been derelict in its duties by not addressing these issues. It is as a result of a general agreement to try to expedite these matters, and there has been a general discussion. I want the record to be clear on that.

Mr. Ducharme: I would know better than to tell you how much time and how many minutes we spend on each item. I would not do that.

The Acting Chairman (Mr. Praznik): Shall the item pass—pass. The next item 5.(b)(2) Less: Recoverable From Urban Affairs, \$1,826,400—pass.

The resolution before the committee:

Resolution No. 84: RESOLVED that there be granted to Her Majesty a sum not exceeding \$350,000 for Housing, Expenditures Related to Capital, for the fiscal year ending the 31st day of March, 1990—pass.

We shall now consider the last item for the Estimates of the Department of Housing, 1.(a) Minister's salary, \$10,300.00. At this point we would ask that the Minister's staff leave the table for the consideration of this item.

The Acting Chairman (Mr. Praznik): The item passes. The item is then passed.

The resolution before the committee:

Resolution No. 80: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,849,000 for Housing, General Administration, for the fiscal year ending the 31st day of March, 1990—pass.

This concludes the Estimates of the Department of Housing. As was agreed, by leave, in the House, we shall now proceed to consider the Estimates of the Department of Energy and Mines. Shall we briefly recess to allow the committee Members the opportunity to quickly prepare for these Estimates? (Agreed) The committee shall reconvene in six minutes to make it at 4:30 p.m. We shall reconvene at 4:30 p.m. by the clock in the committee room.

RECESS

* (1630)

SUPPLY—ENERGY AND MINES

Mr. Chairman (Mr. Harold Gilleshammer): Call the Committee of Supply to order. We shall now resume consideration of the Estimates of the Department of Energy and Mines.

When we last considered these Estimates the committee had been discussing item 3.(a) Mineral Resources Administration; 3.(a)(1) Salaries, \$201,000—the Member for Churchill.

Mr. Jay Cowan (Churchill): Yesterday when we were discussing this matter I had asked the Minister if there had been any reassessment done of the gold deposits at the Farley Lake Mines since the Strathcona Report had done its assessment. I ask him that question again, if he has any new information in that regard.

Hon. Harold Neufeld (Minister of Energy and Mines): There has been an ore reserve study done and it was completed probably sometime in October or November.

Mr. Cowan: So when the Minister said there had not been a reassessment done yesterday, he was incorrect in that statement.

Mr. Neufeld: I had not been aware of that study and the answer I gave yesterday was not correct.

Mr. Cowan: Can the Minister confirm that this report has been done by Roscoe Postal?

Mr. Neufeld: Yes.

Mr. Cowan: Can the Minister confirm that this study has involved a new process of determining what ore reserves might be, somewhat different from the one used by Strathcona Mineral Resources?

Mr. Neufeld: I have not see the report, but I am advised that the results of the report would probably have given a lesser value to the deposit than the one used by Strathcona. Strathcona used the one they had done in conjunction with Kilbourn Engineering Firm. Strathcona decided theirs was the better one to use for this purpose. That is the last economic assessment that has been done of the deposit.

Mr. Cowan: This ore body report or statement was then available to Strathcona when they were completing their report? Did I understand the Minister correctly in that regard?

Mr. Neufeld: The preliminary reports were available and were seen and not used by Strathcona.

Mr. Cowan: Has the department then or MMR, under the Minister's responsibility, discredited or discounted this statement of ore reserves?

Mr. Neufeld: We have neither discarded nor discredited it. It is there for our use. As we move into the future, before we do any development work at all on the deposit, we will again look at and probably do some more assessment.

Mr. Cowan: Can the Minister make the results of this study or the overall statement public?

Mr. Neufeld: I would have to check with the agreement we have with Mingold Resources inasuch as they are

45 percent owner and the developers of the property. The property belongs of course to Manitoba Mineral Resources and Mingold Resources. If it indeed can be made public I have no difficulty in making it public. However, if the agreement we have with Mingold precludes it being made public I will not be able to do so. I will find out.

* (1640)

Mr. Cowan: Would the Minister commit to requesting that it be made public in writing and providing any copies of written responses he receives from Mingold in that regard? We ask that question because of some of the confusion that resulted in an earlier situation where we had asked for information to be made public. It seems the Minister's staff or the Minister himself had asked for the report to made public verbally, but had not followed that up at a later date. We would like this one to be a bit more documented if at all possible.

Mr. Neufeld: I will ask Mingold Resources and Manitoba Mineral Resources to give me a written memo indicating if they cannot make the report public, and if they can, I will get that for the Member.

Mr. Cowan: Mr. Chairperson, we appreciate that commitment from the Minister. I would just ask him if he can indicate when he would expect to have the request made and an answer in return to his request?

Mr. Neufeld: I will make the request tomorrow if I am able to contact the people responsible, being Manitoba Mineral Resources and Mingold.

Mr. Cowan: Was this determination of a lesser value of the deposit due to less ore reserves than was indicated in the Strathcona Report communicated to the other parties involved in the negotiations with respect to the purchase of the Mingold property?

Mr. Neufeld: There was never any real negotiations for the property. Inasmuch as LynnGold was prepared to pay only with paper it did not much matter what their price was. It was never going to be paid for in any event. It was just paper. I am not aware of discussions specifically with LynnGold, but inasmuch as the report was available to Strathcona I would not be surprised if LynnGold people had the results of that report.

Mr. Cowan: But neither Mingold nor Manitoba Mineral Resources nor the Government indicated to LynnGold Resources that this report was available or offered to make the results of this report available to them? Is that the case?

Mr. Neufeld: At this point in time the report had not been completed. It was being worked on at the time the negotiations were taking place. LynnGold undoubtedly was aware that the report was in progress inasmuch as Strathcona had the use of their preliminary findings of the report. I am not aware of any specific references being made about this report in any discussions.

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The fact of the matter is, in all of our discussions with LynnGold they very seldom if ever brought up the Farley deposit other than to say they were prepared to give us shares for it. They indicated a value they felt at first would be around \$5 million and then \$7 million and then \$9 million, I believe, but they never indicated that they had any specific knowledge of why the deposit was worth only that amount as we had no real knowledge of why it should be worth \$12.3 million other than that that was our accumulated cost on the project.

I was asked for some information yesterday with respect to the Business Community CHEC Loans and audits. I will just give you these figures: for the years '86-87 in the business audits we had 107, of which four resulted in loans; in the Community CHEC we had 81 audits, one resulted in a loan; in 1987-88 we had 126 audits in the business and 34 resulted in loans; in the Community CHEC we had 56 audits and one resulted in a loan; in '88-89 we had 110 audits in the business and 33 resulted in loans; and 54 audits in the Community CHEC and five resulted in loans. Overall we had 89 percent of those audited undertook to do some work on this. That is one of the pieces of information asked for by the Member for Flin Flon (Mr. Storie).

Another one was the number of wells drilled in 1987, that was 107 wells.

Mr. Cowan: Returning back to the matter at hand. Can the Minister indicate what is the status of the meeting, which he said would be held this Thursday, and he would be in attendance, or the Government would be in attendance at with the other creditors last evening in the committee and yesterday I understand on television, although I did not see it. I was only informed of his statement that there would be a meeting this Thursday.

Mr. Neufeld: I have heard nothing about the bankruptcy officially from the receiver. I have not talked to the receiver, but when we first heard of the bankruptcy back in the latter part of October, we were told that the first creditors' meeting would be held on the 14th of December. I see in the paper now that the first creditors' meeting will be held on January 4.

Mr. Cowan: Is not the Minister confusing a meeting of the creditors to discuss a holding proposal on or before December 14, with a meeting to discuss the bankruptcy, which has now been set by the official trustee?

Mr. Neufeld: At the time that we received notice we were told that the first meeting of creditors would be on December 14. The creditors and those who had to review the proposal would of course be the same people.

Mr. Cowan: I think the Minister is confused on that issue. Notwithstanding that fact, yesterday he said that he would be in attendance in the meeting on December 14. There is no meeting on December 14. There is a tentative meeting booked for January 4 in Winnipeg with all the creditors. Is that the first meeting in which the Government will be in attendance with respect to discussing the bankruptcy proceedings?

Mr. Neufeld: The Government is a rather substantial creditor and we will attend each and every creditors' meeting. If that is the first one, we will be in attendance.

Mr. Cowan: Can the Minister indicate how long it is that he expects it will take for the bankruptcy proceedings to unfold to the point where they are finalized in some form or another?

Mr. Neufeld: I have seen in my experience bankruptcies take years to unfold, and I have seen some that take very little time. It depends on how fast the receiver acts and how quickly purchasers are found for the assets. It is very difficult to estimate the time, and I would not try to.

Mr. Cowan: Well, I had a discussion with the official trustee this morning who indicated that it is indeed difficult to give time lines. They are moving towards trying to accommodate matters within a couple of months if at all possible, but it may take longer based on circumstances.

It was also indicated to me that the creditors can have a large role to play in expediting or delaying a bankruptcy proceeding. The community from the mayor to the union to others who are involved in the operation of the community have indicated to me a desire for this matter to proceed as quickly as possible. Of course the reason for that is they want to finally put this matter, or this stage of this matter, to rest so that they can get on with their future and the community can get on with its future, whatever that might be, in either instance.

I would ask the Minister if he would be prepared to pressure the company and the official trustee to the extent which is allowable within the law to push very quickly for a settlement of the bankruptcy proceedings, so that the employees can be paid whatever they are going to get as a result of the bankruptcy proceedings. The other creditors can be paid whatever they are going to get as a result of the bankruptcy proceedings, and they can get on with their future and put this stage of their lives to rest at this time.

Mr. Neufeld: Well, the company of course is out of the picture and cannot be pressured. The trustee cannot be pressured, but he will act as quickly as he can I am certain.

One of the holdups might be that the union will ask the courts for a decision on whether or not the severance pay should be a claim against the estate of the bankrupt before the secured creditors get at them. That may take some time, and I would hesitate to guess how long that might take. From our part, we will do nothing to impede the proceedings. We will do our best to have these completed as quickly as possible.

Mr. Cowan: How much money would be owing to the provincial Government and its agencies right now as creditors in this proceeding?

Mr. Neufeld: The more exact figures, I do not have. Approximately we have \$255,000 owing to Workers Compensation, approximately \$98,000 in sales tax, and

corporation capital taxes. We have \$2,050,000 owing to the Manitoba Development Corporation. There is about \$130,000, although it is not on here, owing to Manitoba Hydro and approximately \$10,000 owing to Manitoba Telephone System. I hope I got them all, but I may have missed one or two.

* (1650)

Mr. Cowan: Does the Minister have any idea what may be owing to the federal Government? He may not have that information available to him, but that would be in the forms of taxes and UIC as well. Is there any documentation available to the Minister in that regard?

Mr. Neufeld: These are all figures of course that we have had to receive from the company and the last information we have that statutory deductions, that is income tax, Canada Pension Plan, and Unemployment Insurance, are in the neighbourhood of \$67,000.00.

Mr. Cowan: The reason I ask that question is the Government, at least with respect to all those items listed outside of the loan to MDC—and I would have to ask the Minister directly if that falls in this category—is a preferred creditor. In other words, they come before the unsecured creditors, after the secured creditors, and between the two.

After the secured creditors have been paid, the Government would receive 100-cent dollars with respect to monies owing to them as long as money was available, and then any money after that, what was left over, would be available to the unsecured creditors split evenly among all of the unsecured creditors based on the appropriate formulas.

I would ask the Minister if that is an accurate reflection of the case at hand and I would ask him wherein the tier, the line-up of creditors, falls the MDC loan.

Mr. Neufeld: Payroll deductions, which are the income tax, Canada Pension Plan, unemployment insurance, of \$67,000, I mentioned earlier, are a preferred claim. The MDC loan and all the other Government agencies fall into the unsecured category.

Mr. Cowan: Perhaps I am wrong, then the Minister can correct me. In my discussions with the official trustee this morning, he indicated that any monies owing to Revenue Canada, to Workers Compensation, to the provincial Government, to the LGD, in forms of taxes would be in the preferred creditor category. They would be ahead of the workers and the other unsecured creditors and they would be paid off in 100-cent dollars as long as money was available to do so. Was my understanding of that situation incorrect?

Mr. Neufeld: My understanding also was that the Member was correct, and I have not talked to the official receiver. I am not a trustee in bankruptcy, but I had always thought that Workers Compensation and other governmental receivables would be a preferred claim, although the information I was given here was that it would not be, but it could well be a preferred claim. I have not discussed that with the solicitor or with the

trustee in bankruptcy. I would not quarrel with the fact that the Workers Compensation were a preferred claim.

Mr. Cowan: I make that point because I am going to make a suggestion that follows along the lines of discussion today. With respect to the MDC loan, though, that would not be a preferred claim. Would that fall into line with the other unsecured creditors or would the forgiveness factor separate it from the preferred creditors as well? I guess the basic question I am asking is, is it ahead of the workers?

Mr. Neufeld: It is my understanding from people I have talked to in the MDC that it would not fall ahead of the workers. It would be an ordinary unsecured creditor.

Mr. Cowan: That would mean that there would be several hundreds of thousands of dollars available from the provincial Government and its agencies and the federal Government and its agencies and we do not have an exact number now, but we know it would be a significant amount that would be paid out ahead of the workers.

What I am asking the Minister to do, and I am not asking for a definitive answer today, I am asking him to review the suggestion and come back with an answer at our next meeting if that is at all possible, or earlier, is to voluntarily subjugate that money or even go beyond that, voluntarily collect that money in 100-cent dollars if that is available to them and put it into a fund that could be then used for the workers to draw down for their severance.

In other words, the monies owing to the Government, the monies owing to the workers, because of the structure that we have—and quite frankly, I think it is an inappropriate structure where it puts the needs of capital ahead of the needs of workers and we have had that philosophical debate on many occasions. We are stuck with that structure now and we have workers losing some very significant sums of monies that are owing to them that they worked towards all their lives, and that is going to have a profound impact on them. Because of the structure it is the Government that goes ahead of them with the monies that are owing to them.

I am certain that the Government did not intend it to be that way. They did not intend for them to receive their money before workers who had worked for that money. I think it would be an inappropriate policy if that was the case, but that is the way it happens to be. Given the inappropriateness of it, I wonder if the Minister would take back to his Cabinet a suggestion that they take all the monies that are owing to them and their agencies and put them towards paying off the severance, which we all know is a very important amount of money to each of the affected workers.

Mr. Neufeld: I have no difficulty in taking such a proposal back to Cabinet to see what their reaction is. I have no difficulty taking it to the Crown corporations, although that decision would be theirs.

1 I think it should be noted, however, that the secured creditors will total some \$15 million and whether or not the assets of the company will bring \$15 million is

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somewhat problematical and the whole discussion may be somewhat academic.

Mr. Cowan: I appreciate that and the Minister is absolutely correct but we have some very thin strands upon which to hang hope during these very difficult days, and this is one of them. I certainly appreciate the fact that the Minister would be prepared to take that suggestion back to his Cabinet.

I would ask him to go one step further and recommend it to his Cabinet and wonder if we could get some commitment from him in that regard today.

Mr. Neufeld: I think it would be inappropriate for me to make a decision to recommend before such a time as we have had the first creditors' meeting and we know what is out there, we know the total number of dollars and we have an estimate from the trustee of what they might bring.

Also another point is whether or not by that time we have a decision from the lawyer on whether or not they will proceed to the courts on the severance pay. I should also mention that we have been advised by solicitors that vacation pay and accrued vacation pay may well be a liability of the directors. If that were the case, there would be some \$1.5 million that could be obtained from the directors of the company who I am told have insurance for these amounts.

Mr. Cowan: Having read the legislation several months ago, and not having it in front of me now, I seem to recollect that indeed vacation pay is considered to be a wage. Severance pay, however, is not considered to be a wage under the Act, but I do not want to make that a definitive statement in case it might in any way pre-empt the efforts of the union or other individuals in the community to take that matter to the courts. So I am only basing it on a layperson's reading of the legislation and think that it may well in fact be a matter that would have to be determined by the courts, and certainly appreciate the fact that the workers themselves may wish to pursue that avenue of recourse.

However, having said that I believe that it very clearly states that vacation pay is considered to be a wage payable under The Payment of Wages Act. The Minister of Labour today mentioned that they had some opinions in regard to this matter. I would assume that they were legal opinions and would ask the Minister if those opinions could be made available to Members of the committee.

Mr. Neufeld: The opinions received from the Department of Justice were not written opinions, as far as I am aware, at least I have not seen the written opinions. If they are in writing, I will make them available. As far as I know, we asked so that we might be in a position to discuss further with the union what steps they might take. I would not want to act on the basis of information we have received verbally, but I ask that the unions consult their own solicitor and they might well have a case against the directors of the company.

As I indicated earlier, I would have no objection to making this available if we had it, and I will check to see if we have it.

* (1700)

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

* (1430)

SUPPLY—NORTHERN AFFAIRS

Mr. Chairman (William Chornopyski): This committee will come to order to begin consideration of the Estimates of the Department of Northern Affairs. Does the Minister have an opening statement?

Hon. James Downey (Minister of Northern and Native Affairs): Mr. Chairman, not if the Members of the Opposition would like to pass it without, I would be prepared to just pass it.—(interjection)— Well, he has, but I indicated clearly if the Members were prepared to pass it that I would forego any opening statement and get on with the—

Mr. Chairman, I am pleased to rise today to give the opening statement for the Department of Northern Affairs and the Minister responsible for Native Affairs for the Province of Manitoba. Maybe I could have one of the Pages come forward please and we will remove some of the obstacles here.

Mr. Chairman, it is indeed a pleasure to present the Estimates, for the second time, as Minister responsible for Northern and Native Affairs, and say to the Members that I look forward to the Opposition Members with some—yes, I expect to have some critical comments come from them, but I also expect some positive suggestions and some ideas that may well enhance the opportunities for the people of northern Manitoba—and as I have always been, as Minister, very open to their suggestions and ideas.

Mr. Chairman, I would like to spend considerable amount of time, because there are many initiatives that have taken place over the last year and a half, and I have a true vision for the opportunities and for the people of northern Manitoba as it relates to the total economic and social activities throughout Manitoba.

I want to say as well, and I thank my Opposition Critic—particularly the one from Rupertsland and also the Liberal Critic for their understanding and refraining from excessive criticism as particularly it related to the Department of Northern Affairs and all related departments, during last summer's forest fire season and the difficulties that many individuals were put through.

At the same time I want to express with deepest gratitude as Minister, the support that my staff and other departmental people, volunteers throughout the communities, leaders within the communities, and the total Province of Manitoba, rolled up their sleeves to fully participate in the saving of life and property. It was no small task, but I have to thank my critics for making that task no more difficult by irresponsibly—for political gain or other reasons—openly criticizing, and I am sure there were times in which they could have, so I do acknowledge that responsibility that they as Opposition Members carried out.

Mr. Chairman, getting into a little bit more of the detail—and I want to say most sincerely that having come from a more rural and southern area, particularly the southwest corner, and I know that there were some comments made as my appointment took place, that in fact it was questioned as to my abilities to be able to act as Minister of Northern Affairs.

I say that the people of northern Manitoba have been very kind to me, and they have been very understanding. I hope that I have had the reciprocal feeling amongst the people of northern Manitoba, whether they be of the cities and/or small communities, whether they are remote and/or whether they are more available or accessible to some of our more urbanized settings in southern Manitoba.

Mr. Chairman, one will note that there is as the Estimates show, a small reduction in the Estimate expenditures of Northern Affairs, which does not reflect in any way, shape, or form, a commitment by the Province and by this Government to northern Manitoba. Let me give a brief explanation as to why there is shown estimate over estimate, a reduction of approximately \$1 million from one year to the next. That reduction falls within the area of the Northern Flood Agreement as it relates to five northern bands. Because of aggressive negotiations and work towards a global settlement there was the replacement of approximately \$1 million that shows as a reduction, by the increase of \$10 million that are not reflected in the numbers of which we are dealing with here today.

One could say rather than a reduction to northern Manitoba and the responsibilities of the Department of Northern Affairs, rather than saying a reduction of about a million dollars, one could say that we in fact increased the spending in northern Manitoba as it relates to Northern Affairs by some \$9 million. I would expect some further questioning on that, but I wanted to make that point and make it very clear.

Mr. Chairman, I want to as well say how committed that I and the Government under Premier Gary Filmon, and the Cabinet, and my caucus, and Legislative Assistant for Northern Affairs, the Member for Swan River (Mr. Burrell) are, how we are committed to the development of the human and economic activities in northern Manitoba and seek out ways to give northern people more opportunities and options in which they can enhance their livelihoods, which they can enhance their opportunities for the youth, which they can in fact enhance the care and the need of the day-to-day activities of the seniors.

Let me say, one of the things—it has become very obvious to me as Minister responsible for Northern Affairs—and that is the northern and particularly the northern and Native communities of northern Manitoba, the concern and care that they have for their youth and their young people, the respect that they have for their elders, and the respect for the great Creator. I think it is important that we and the rest of society could learn a lesson or two from them, from the values which they have been able to maintain and the opportunities that they want to enhance for themselves, but some basic things are extremely important to point out.

I want to continue to explore ways to ensure that those opportunities are not only developed but fully realized. As the development of northern economy or the northern economy is tied to transportation, major improvements of roads are planned in the future to allow more extensive development of the energy and forestry reserves.

Mr. Chairman, again I think it is important to point out that when we are looking at a resource-based economy it is important that we have the kind of transportation services and facilities to market the products that are produced, whether we are talking about forestry products, whether we are talking about commercial fishing, whether we are talking about wild rice production, whether we are talking about the massive hydro production activities that are taking place. The transportation and the support, the infrastructure that supports the development of those resources has to be paramount. I think that for far too long, far too long, many communities have had to do without those kinds of essential services and basic transportation supports that are so badly needed.

Mr. Chairman, I think it is important to point out as well some of the major initiatives that are taking place in northern Manitoba in which I am extremely pleased and proud to be the Minister of Northern Affairs during the development of these kinds of activities. I truly compliment the Premier of this province (Mr. Filmon), my colleague, the Minister of Finance (Mr. Manness) who took the lead role in the divestiture of Manfor to Repap, incorporated in the sale of Manfor to the private sector.

* (1440)

Mr. Chairman, what has this done for the people of northern Manitoba? This has done for the people of Manitoba what we would like to see take place in every region of this country. It has given the opportunity for the private sector to invest their capital to create jobs, to manage, to assist and work with the province in the management of a valuable resource under sound sustainable development principles, to make sure that the resources are used in the best interest of the people of this province and can be replaced through sound business management.

I say this most sincerely, am pleased with the support that the Member for The Pas (Mr. Harapiak) has given to that initiative. I say he could have spoken out louder in his caucus and to the Members of the Opposition in this House to further enhance that operation so that more activity may have taken place somewhat sooner.

I say it in principle, Mr. Chairman, as a Progressive Conservative, of which I am finding more and more every day in northern Manitoba, the principles of Government creating the economic climate for business to go ahead and do those things which Governments have so often in the past proved they are unable to do because of the inefficiencies and lack of sensitivity to what people really want out of life. I say that I am proud that those kinds of principles are providing the economic opportunity for that northwest region of the province.

My colleague from Rupertsland can observe, and I am sure he has talked to many of his friends in the Native communities in the northwest region, where in fact they are pleased with the kind of opportunities for employment, because what have we seen over the past few years, Mr. Chairman, have been far too many areas where unemployment ranks in the 90 percent level.

My colleague, my friend from The Pas, I am sure is not happy with what he sees in the communities that he has represented for far too long, that is the high rates of unemployment. It is these kinds of initiatives with private money and private sector investment that will create the long-term initiative and the long-term jobs for those people. I am pleased to be the Minister who is responsible for Northern Affairs when this initiative is taking place.

Mr. Chairman, let me say on another side that I am not very happy that we are seeing some things take place from our senior level of Government when it comes to the removal of the Northern Tax Allowance. Very unhappy with that because we do have to have when we have a developing part of our country, when we want to see those resources develop that will drive the generators of our economy, that will fill the motors of our future, that they should not be unfairly taxed when we are trying to get them off the ground. That is why we at the Ministers' Conference on Northern Affairs in Val-d'Or, Quebec, jointly put together our opposition to the removal of the tax benefits that were given to those communities just some two short years ago and have really not had an opportunity to work.

It costs more to do business in northern Manitoba because of the temperature and because of the difficulties of remoteness and lack of transportation services. I think we can jointly make a case so that we put forward to the federal Government our opposition and it may and should have some impact.

I ask Members of the Opposition not to rise up in a political storm for their own political benefit, but to join with me and with the Government to sincerely do something for northern Manitoba in a most positive and productive way, Mr. Chairman. It is time to quit playing politics with our northern communities and get on with the real meaning of what we stand for, and that is economic opportunity and development which is truly there. I say that most seriously. We do stand strongly on behalf of the northern communities in not having that tax reimplemented or the tax benefit taken away.

I say it for everyone, but I say if there are a group of people who we are particularly trying to encourage into the North to support those communities, in the area of health we have to encourage those individuals to provide the health care needs of the people of the North. We have all those professional needs, Mr. Chairman, which need encouragement not discouragement. The best way to give them the encouragement is through some tax breaks and tax benefits. I think it is important that we join together, not in a political sense, but in a real meaningful sense jointly as Members of this Legislature to put that opposition to Ottawa.

Mr. Chairman, I made reference earlier to the way I feel about the support that the Members of the

Opposition in not criticizing or not in any negative way, commenting about the way in which the forest fire activities were handled this summer. I think it was extremely important to show when some 20,000 people plus were moved from their homes to safety, from the safety of the devastation of forest fires which destroyed some two million acres which cost several hundreds of thousands of dollars in lost property, equipment.

Let me say as well, I want to thank the people of northern Manitoba and those organizations that have aggressively worked with Mr. Sid Reimerokay who has been responsible for putting together the compensation package, whether it be the trappers, whether it be MKO, all those organizations that work together aggressively and productively to get what was truly the people of northern Manitoba's rightful reward and compensation for loss of cabins, loss of equipment. I again compliment those people who are willing to work and work aggressively to do that. I thank the positive approach again which the Members of this Legislature have taken.

Mr. Chairman, let us deal with another extremely important area. I talked about a small reduction in the overall budget as it related to the Northern Flood Agreement. Let us talk of another side of the picture which is equally as important and that is the development of infrastructure for our northern communities. We have a land of a lot of water and resources. We have people in the North, and I believe very strongly to have productive people, to have a good way of life and to be able to live and maintain a livelihood that they have to have a good solid, sound, home base. We need the kind of water services, at least good, clean, quality water and that kind of bloodline, a lifeline for those people.

We have increased, by over half a million dollars, support for infrastructure in those northern communities. Key infrastructure improvements in northern Manitoba will include the continued upgrading of water supply and sewage treatment facilities. I am pleased to announce that northern residents in both Pikwitonei and Cross Lake now have safe water as a result of recently completed projects, extremely important for those people to maintain their daily lives. It is an input and expenditure that I am pleased that we are able to make.

A move to strengthen the department's presence in the North has been the establishment, and I am pleased that the Member for The Pas (Mr. Harapiak) is here to hear this, has been the establishment of a full regional office. A further boost to northern development is a \$1.1 million expenditure in Community Places Program funds for a cross section of recreational and cultural projects in northern communities.

* (1450)

Mr. Chairman, now I am not able to compliment the Members of the Opposition because several months ago they were playing cheap politics with the Community Places Program. They were putting articles in the northern newspapers saying that the Conservative Party were cutting back on community places, while all we were doing was reviewing what had taken place in the

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past, did a little bit of repriorizing and have put more funds forward through the support of my colleague the Minister of Recreation, Heritage Recreation.

We believe very strongly in supporting recreational activities, meaningful recreational activities in the North. Let me make another example, Mr. Chairman, of co-operative work between Government, Indian band and community. Berens River, the young people of Berens River are seeing a new arena being developed under the Community Places Program, major investment.

I can tell the Member for The Pas (Mr. Harapiak) that I was in Moose Lake the other day and what I saw an open air arena that was not able to be used by those people, I requested that support be given to at least give them a decent open air arena, and that has been developed and it is now flooded and the children are using it, something they were not able to do when I was elected over a year and a half to two years ago.

Let me say something else, and I have to be a little critical of my friends once in awhile so they think I am not getting too friendly, but it is true, Mr. Chairman, that I was also in the community of Pelican Rapids the other day with my colleague, the former Member, or the future Member for Pelican Rapids, the Honourable Member for Swan River (Mr. Burrell), and can you believe it, Mr. Chairman, can you believe that they developed a couple of baseball diamonds for those young people? I was so proud to hear that. You know what they did? I could not believe it. Who would develop a baseball diamond with a hydro pole right behind second base? My goodness! Who was the previous administration prior to the Conservatives? That would not be an NDP Government that would do such a thing!

Mr. Chairman, it is one thing to have to play around a hydro pole, but let us think of the implications of a baseball hitting an insulator and breaking a hydro line or bringing the hydro line down onto that baseball field. I can tell you there could be serious implications, serious implications, to having a hydro line in the middle of a playing field for children. That hydro line breaking and coming down would have been a very serious problem and could have been a life-threatening situation for the young people. Well, enough said about that, let us get onto some positive things.

I can tell you—and I compliment that community in the building of their new community building for their storage of their community equipment. They were able to have a cost saving of which we will now be working with them to remove that hydro pole and take that danger away so the kids can truly have a kind of normal baseball field that everyone would expect. That is the kind of lack of planning that came from some of my colleagues in the former administration. I know they probably did not know as MLAs, but they were letting the bureaucracy run away with things they should have been more interested in. So I think I have made my point there and the Member may well—

Mr. Chairman, let us deal a little bit more with an extremely important subject, which I know my colleagues will want to get in on and I am pleased that they will. That of course is in the area of our search for increase in employment opportunities and northern economic diversification and development.

We are currently, and I know it is important to the Members, negotiating with the federal Government as it relates to our Northern Development Agreement. I know that there will be questions and there will be criticisms of this administration because we currently are not able to lay a Northern Development Agreement out before the public at this particular time. I have to say that the implications of the old one have not run out yet. We are very aggressively working towards a meaningful, long-term development program relating to northern Manitoba, supported by the federal Government.

I do say, Mr. Chairman, and I say this most seriously, that we are not working towards the development of another overall blanket bureaucracy where in a lot of cases you develop these major development agreements and a lot of the money goes into the operation of the bureaucracy, which operates the programs.

Mr. Harry Harapiak (The Pas): Where do the recommendations come from?

Mr. Downey: Mr. Chairman, the Member for The Pas (Mr. Harapiak) said: where do the recommendations come from? The recommendations came from the communities as I went around throughout Manitoba.—(interjection)—The Member says, and I take him for his word: they gave them money to do the study.

Why did they not give them the money when they got elected in 1981 so they would not have spent all the money and misdirected some of it—not all of it, a lot of good educational programs, a lot of good infrastructure programs?

I would like to know why we still have 80 percent to 90 percent unemployment in northern communities if the program had reached one of its major goals for employment opportunities for northern communities?

I say I may not succeed, or this Government may not succeed, but I will tell you and my colleagues, Mr. Chairman, that we will hit the mark a lot closer because our objective is to make sure the individuals, the northern communities, the Native people, are fully involved in some project-specific activities, whether it is a road up the east side of Lake Winnipeg—which I think is one of the most tremendous opportunities that we could embark upon.

I would like the support from the Member for Rupertsland (Mr. Harper), who has been most quiet on such an important subject. I would like support from the Member for The Pas (Mr. Harapiak) when it comes to the development of the Cormorants and the Moose Lakes in working with those communities to diversify their economy and introduce major agricultural support programs, other activities, whether it be tourism, whether it be working with Ducks Unlimited. I want the support of the Member for The Pas to help those people for long-term economic activities and employment opportunities.

We may not be able to lay out the hundreds of millions of dollars that were perceived to have been laid out by the previous administration, but I want to make sure

each dollar that is put out gets to those community people, gets a job for those people who want one in the North and provides an opportunity for them and gives them the kind of education which will do them well throughout not only Manitoba but all of Canada.

Let me get into that, because I think it is important to touch on this at this particular time and that is as it relates to the Limestone program. I am not here to stand up and slam the Limestone program. I am up here to tell you I think we should learn from the Limestone experience in this province, not to try and make political marks one way or the other. Let us build on the mistakes, or let us build on the positives of the past and avoid the mistakes of the past.

One of the things which I think is extremely important and that is this province, this Government of Gary Filmon, my colleague the Member for Lakeside, the Minister of Natural Resources (Mr. Enns), the Member for Swan River (Mr. Burrell), the Minister of Finance (Mr. Manness), and the Member for La Verendrye (Mr. Pankratz) feel firmly committed, Mr. Chairman, to use the tools available to accomplish the goals for the people of Manitoba.

The investment of \$5.5 billion to develop the Conawapa Project, which will not give the people of Manitoba in the long term a higher hydro bill, but will in fact give them a lower hydro bill, is a major objective but all the other things come with it, employment for our northern people, employment for our Native people.

There were some comments made the other day—and I do acknowledge the fact that the Member for Rupertsland (Mr. Harper) and the Member for The Pas (Mr. Harapiak) did not in a major way try to make a big political issue out of the frustration of the LAPD Board when they decided to dissolve. I want to deal with that for a minute because it is important that we do. I first of all want to acknowledge the work the members of the LAPD Board put forward in their energies and their work to try and make sure that Northerners and Natives were fully employed in the Limestone project, but I believe the previous administration not intentionally, Mr. Chairman, but I believe what they did was in some way lead the board to think they could be more involved in the decision-making of that activity.

* (1500)

I would ask the Member for Rupertsland (Mr. Harper) or The Pas (Mr. Harapiak) to stand following my speech and tell me if I am wrong because it would help me. That is one of the things that I want to do. I want to work with the LAPD people to improve what we have. They were led to believe that they could have more direct input into the actual hiring, into the actual involvement in those projects. Unfortunately, they did not have that opportunity. They were frustrated.

I do not think it is fair to overly criticize the Conservative Government because Limestone, as we understand what it was to do for those individuals, is winding down. There is an excellent youth program, which the LAPD Board administered, Life Skills, extremely important and I tell you I want to see that

kind of a program carried out. I want to see if the Department of Education is able to deliver it, whether it is through KCC, whether it is through other mechanisms that they have, and I will be meeting with the LAPD Board to discuss those very issues.

There were some frustrations with the board because that is really all they were able to get their involvement in. So I say, they have taken the conscious decision to dissolve their organization. I accept that, Mr. Chairman, but we do not stop here. I will meet with those people. We will take some of the ideas and we will, through the support of my colleagues and through the support, I am hopeful, of the Member for Rupertsland (Mr. Harper) and the Member for The Pas (Mr. Harapiak), put in place an economic activity directly in some of those communities.

The resources that were used to transport people—it is essential to have transportation support when you live in the remote and northern communities, that those resources are directed at supporting economic development directly in those communities that the resources that were used. Yes, to transport people, it is essential to have transportation support when you live in the remote and northern communities so that those resources are directed at supporting economic development directly in those communities. I will ask the Members of this House to help give us some recommendations on how that can best be done because it is definitely needed.

Mr. Chairman, I know that it is extremely important to the Member for Rupertsland (Mr. Harper), and I know that the Member for Niakwa (Mr. Herold Driedger), in his comments, prior to the House rising in summer, remembered that I had made some comment about making an announcement. I was unable at that time to make an announcement as I am unable to make a final announcement today, but I can tell him what we are targeting towards.

It is extremely important for the Member for Rupertsland (Mr. Harper), and it is a principle that not one Manitoban should be able to argue with. How many millions or billions of dollars have we seen spent in hydro development in the North, to export? The Member for Rupertsland (Mr. Harper) was a Member of a Government that exported major hydro-electric power based on the cost of coal-produced electricity in the United States, transported right past those northern Native communities to be sold to the Americans, to be sold in southern Manitoba.

At the same time, there were people living in those northern and remote communities without the same kind of hydro-electric power that every other Manitoban enjoys. Mr. Chairman, I have to say—and I say it very sincerely—that it is my objective as Minister, it is this Government's objective, to put in place overland hydro lines for those communities, so they can enjoy the same kind of electric support and infrastructure that everyone else in the province supports.

I want the support for the Member for Rupertsland (Mr. Harper) in that activity. The negotiations have not been totally complete but we are driving to that end. I can tell you that I want that Member's support as I

want the Opposition's support, something that I am surprised that has not been developed over the past few years.

Mr. Chairman, as I say, how pleased I am today to be a Member of a Government that has been able to work most progressively to accomplish a global settlement for the Northern Flood Agreement. Yes, we were able to advance some \$10 million, and we did that to show we meant business. I say that the Northern Flood Committee chiefs have reciprocated and have worked very aggressively on their side of the negotiations.

I hope we are able to conclude global settlement to the satisfaction of the province, to the satisfaction of those five bands, to the satisfaction of Manitoba Hydro and the federal Government, because it is far too long that those community people have heard and have seen all the talk, all the monies that are supposed to have flown into those communities that in fact have not.

A lot of it has gone to legal support, consultants, but it is time those people started to get the rewards of what they gave up when Hydro developed on their communities. That is an objective and a goal that I have and that this Government has, and we will, given the right kinds of situations in the next while, I am hopeful, accomplish the goal which we all want to see come about.

Mr. Chairman, let me deal to some degree with the Native Affairs Secretariat and some of the activities that are taking place.-(interjection)- Thank you, I thank the Member for reminding me there is an area which I do want to touch on.

That is the Grand Rapids forebay. The Premier of this province has requested that Hydro discuss with those communities of Moose Lake and Cormorant which were affected by the Grand Rapids forebay activities, hydro development. At least he has asked Hydro to acknowledge and to sit down and assess what they could in fact possibly consider doing on behalf of those communities, something that had not been able to be done for some 20 years. I am pleased that this Government had been able to initiate, at least acknowledge the need to sit down and discuss in a meaningful way some of the problems those communities have suffered.

I want to touch on the Native Affairs Secretariat. We in fact did a review of the Native Affairs Secretariat. We as well have made that available. We have not made major changes. I say that most sincerely because we have been working on an Urban Native Strategy following that. Some things are starting to be put in place. Mr. Chairman, it is a start.

I am not coming here today with the answers, Mr. Chairman. I am coming here with the desire to get a meaningful process in place that can deal with the urban Native people who find the need for support, whether it be in housing, whether it be in social programs. The process has started. I am planning to work with those people of leadership responsibilities, those people within the city, those people that have the responsibility to work aggressively from here on in to develop the kinds

of long-term policies and involvement of people who are involved with those policies, so that they in fact do enhance those people—and their way of life—who are forced to migrate to the urban centres in this province.

Mr. Chairman, I am pleased to say as well that I believe that the women, particularly within some of our outlying Native communities, but within our urban centres as well, have for far too long been ignored in the abilities that they have to provide for the leadership of our communities.

* (1510)

That is why I am so proud, Mr. Chairman, to stand here today to say that we have put in place substantial core funding for the indigenous women of Manitoba. The record of the previous administration—and I will say very little on this—was not that great. In fact, it was nil. As well, I have been approached by the aboriginal women of this province, another organization, and have agreed to give them some funding as they have demonstrated a need for. I look forward to the aboriginal and the indigenous women of this province showing tremendous leadership in the whole area of urban Native development, of remote and Northern development. I look very anxiously to the input and the development that they have into the total picture of the province.

Youth, and I want to say this most sincerely—the youth of northern Manitoba, not unlike the youth of southern Manitoba, are the future of our country. I am sure we are all struck down, taken back, each time we see someone who has become involved in alcohol or drugs, the abuse of substances. We have to do everything that we can to encourage those people to take a different path in life, because if individuals destroy their lives with alcohol or drugs, then I do not think we as legislators have done everything that we can to help those people.

Mr. Chairman, I have done several things and this Government has allowed me to do certain things when it comes to enhancing opportunities for youth in the North. My colleague—and I take my hat off to my colleague, the Member, the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson) for her support for the use of Lotteries monies to develop a two-year pilot project with some \$500,000 to put in place for the communities, half a million dollars which will initially hire at least eight recreational directors, to allow those communities to have someone maximize the time of those young people in a productive way through sports.

Mr. Chairman, I am pleased to say, as well, that through the Department of Northern Affairs we were able to hire a former professional hockey player in the person of Jim Neilsen, who is of Native ancestry, who is a role model, who has been working throughout the northern part of Manitoba, has been meeting with our corporate citizens in the North so that we can enhance, provide and create more activity as it relates to hockey in our northern communities. Mr. Chairman, I have had nothing but positive responses from those northern communities.

I have had a little bit of nervousness, Mr. Chairman, from some of the southern hockey establishment who

have been depending on some of those excellent hockey players to bolster their hockey teams in the south, but that is an understandable concern. I think we can have good hockey players that can excel from all over the province and that those corporate citizens have proven in the past that they can support more advanced professional hockey, more advanced opportunities for all young people, and I think it is time that they got involved again. I can tell you that positive discussions have in fact taken place with Repap, with the cities of Thompson, and all those people who have a responsibility to provide opportunities for our young people.

So it is important, and I would hope that the Members, through the discussion and the debate, would acknowledge that this Government has not turned its back on our northern people, as was some of the initial criticism that we cut Community Places Grants. We have in fact enhanced Community Places Grants for northern communities; we have enhanced money for recreational activities through the Department of Culture, Heritage and Recreation and Northern Affairs and we will, Mr. Chairman, continue to create opportunities and motivation through our sports activities, and I think we can work very closely with the school programs in the North to support those individuals.

Mr. Chairman, I think probably one of the most difficult times that we will have, and I say that most sincerely, and that is to make sure that we have the opportunities that are provided through a \$5.5 billion Hydro investment, a new Bipole 3 line down the east side of Lake Winnipeg, the concerns that we have to address as it relates to the environment. You have heard the Premier and you have heard my colleague, the Minister of Environment (Mr. Cummings), say what our No. 1 concern is, that it is done through the sustainable development process and policies of sound environmental planning. That will be done.

Mr. Chairman, we do have a major challenge and we have a major challenge as politicians, whether you be from a New Democratic Party or whether you be from the Liberal Party, that it is clearly communicated to the people of this province that this economic activity is not being done to destroy or in any way hurt our environment. I think it is a challenge to each one of these politicians in this Chamber to take the message out that there is not any intention to in fact hurt the environment, but to enhance the way of life through sustainable development and, in doing so, we will create hundreds of jobs for the northern people and for the Native people of this province.

If it is a billion dollar investment in the northwest region, and \$5.5 billion in the northeast region, and the economic activities with the mineral activities and the Inco activities in Thompson, and the service centre that is developing, we do have some tremendous opportunities in northern Manitoba. I again say we have to work positively and I think co-operatively to accomplish those goals.

We have a major area that we can work together on and that is to make sure that the educational and training opportunities and job opportunities are there

for the people of northern Manitoba. I believe it is important that we do so through the Department of Education. I have to say this, and I will say it, Mr. Chairman, most sincerely, that one of the concerns that has come to me, and that is that under the Limestone Program, yes, you could get a certificate in training out of the Limestone project. But really it was not recognized in very many places, and people were given the feeling that they had a major accomplishment of a certificate, under a Limestone training project, that really was not recognized in very many areas.

So I think, Mr. Chairman, we have to seriously look at making sure that there is a meaningful tie-in to our Keewatin Community College, to the Assiniboine Community College, Red River Community College, and our other educational facilities, so that there is in fact a strong basic education, developed training, that is recognized throughout not only Manitoba, but throughout all of Canada. I again will say that I stand here today asking for Members of the Opposition to clearly put their positions forward. I think it is their opportunity to do so. The Member for Rupertsland (Mr. Harper), I want him to be fully involved. It is his responsibility, as a Member of the Legislature, to be fully involved, and this is his opportunity. The Member for The Pas (Mr. Harapiak) I would appreciate as well, their opportunity too.

Another area that I just want to conclude on, Mr. Chairman—how much time do I have left?

Mr. Chairman: The Honourable Member has approximately 14 minutes remaining.

Mr. Downey: Fourteen minutes.

Mr. Chairman: Fourteen minutes.

* (1520)

Mr. Downey: Thank you, Mr. Chairman, I will try to conclude my remarks in that 14 minutes.

Mr. Chairman, resource development is something that we have to continue to make sure is a major part of the basis on which we continue to develop on. Resource development is something that, as a farmer, and many of the individuals here on this side of the House have had a lot of experience with agriculture and farming, really appreciate that the resource that you are developing, and the land base that you are developing it on, has to be maintained and enhanced.

Mr. Chairman, society has to clearly understand that and I think that we, as Government, have been given the responsibility, as being elected leaders of this province, to make sure that it is done in a responsible way. I say that hydro-electric power is an extremely important asset that we have. The water that we have is extremely important, whether it is for the commercial fishing industry, whether it is for the use in our production of wild rice, whether it is in the production of crops of any kind, it is extremely important.

That is why, Mr. Chairman, you will see the Conservative Government of this province continue to

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carry forward positive conservation ideas. Whether it is in agriculture, whether it is in our resource development of the North, we clearly understand that if you destroy a resource that it is no longer there for the enhancement of society as a whole, and that is uppermost in our mind, and that is how development of the North and this province should be advanced.

I will just reiterate again my comments in a brief point form, and I will try to do so in the time that I have left. Mr. Chairman, we have limited resources, as you know, but it is up to us to maximize those resources and we have, as I have indicated, transferred some of those resources to key areas, whether it is the support of infrastructure in some of our northern communities, whether it is in the area of recreation and youth development, we have prioritized those areas and have advanced additional funds in those areas. Yes, I have said we have cut back in one area. It appears that way in the Estimates, but in the total it has gone up by \$9 million as it relates to the Northern Flood Agreement.

We are committed to the human development and the economic development of our northern communities. We have to explore ways to ensure opportunities for growth and development and make sure that all opportunities are fully utilized. We have to, Mr. Chairman, enhance the transportation opportunities and the infrastructure for our communities, and I believe, and I say this most sincerely, that the development of the road up the east side of Lake Winnipeg, to give those remote communities the opportunity to have access to the outside markets, if I may, to the outside opportunities, I think is a major objective and I would appreciate the comments and the response from the Member for Rupertsland (Mr. Harper).

I think we have a good opportunity and we do not have the money in our budget. We do not have that kind of money available today, but I can tell you it is that kind of project that I will be going to the federal Government with to say we want you to participate in a major economic activity which just does not give a short-term job to an individual, but in the whole development gives long-term economic opportunity and gives them a long-term job. It opens up tourism; it opens up commercial fishing, wild rice production areas, that it supports the development of the hydro line.

An Honourable Member: Lower cost of goods.

Mr. Downey: That is right, a major reduction in costs of goods and services delivered to those communities which now have to either have them flown in, but probably, Mr. Chairman, will give those people a feeling of being more a part of Manitoba. I can tell you, whether you are in the city of Thompson or whether you are in a small community in the North, whether you are in Shamattawa or whether you are in Pukatawagan or Thicket Portage, there is always that feeling, as I have that feeling from rural and southern Manitoba, that it does not seem important unless it happens around Winnipeg.

If it were not for those small communities, in the past, in the production and the involvement of those people

in hydro, in all the other resource developments, there would not be a Winnipeg, Mr. Chairman.

An Honourable Member: Truly there would not.

Mr. Downey: My colleague from Lakeside (Mr. Enns), I am pleased to say, recognizes that. I know the Member for Rupertsland (Mr. Harper) and the Member for The Pas (Mr. Harapiak) feel very strongly about that. I again reiterate the principle that a Conservative Government believes that you create the economic climate as we have done in The Pas for the Repaps, for those individuals to go in and invest, not to carry out irresponsible activities but to carry out well-planned, managed, environmentally sound activities. We will see the kind of regrowth and the engines of this province start up again.

Remember, we have had for far too long the socialist experience which did not work, Mr. Chairman.

An Honourable Member: . . . take hands again and walk together through the North.

Mr. Downey: That is a good idea, but it is extremely important that principle be thought about by the Member for Rupertsland and The Pas. I say it most sincerely, and the Liberals, although they are not sure what they believe in, on certain days they believe that can in fact take place. I do say most sincerely that if we create the environment for the private sector, we create the environment for the publicly owned investment in hydro that we have continued to develop, we will see the kind of long-term activity that this province needs.

We have to if we are going to continue to support our health services and facilities. I do have to take this opportunity to congratulate and compliment my colleague, the Minister of Health (Mr. Orchard), for his support in acknowledgment of northern Manitoba and the money that he has expended and the initiative that he has put into the Thompson hospital. He has—and I have to use this example because it is important—with the support of that community, provided for kidney dialysis to be provided in the hospital at Thompson.

One only has to see a person who has had to travel from northern Manitoba by air to come to Winnipeg to have kidney dialysis performed and then travel back by air. Most of their time is spent in a transportation system. The provision of that kidney dialysis has made a lot of people's lives a lot better in northern Manitoba, as did the opening of the dialysis machine in Brandon some several years ago when I had constituents from rural and southern Manitoba who were finding all their time being spent on a bus or a car coming to Winnipeg.

We have to work to prioritize our expenditures, we have to maximize our economic opportunities and our resource development and our manufacturing development so that we can pay for those kinds of essential services this Government firmly believes in.

I conclude my remarks by saying that I was pleased last night to go to Thompson to participate with my colleague, the Minister of Housing (Mr. Ducharme).

An Honourable Member: From what I understand, it was a hazardous trip.

Mr. Downey: No, Mr. Chairman, it was not. It was most encouraging and heart warming to be in Thompson to open the first senior citizens' facility that city has seen. I fully compliment those seniors who for some five years have been requesting, working and struggling towards that seniors' facility. I fully compliment them, as I compliment the Rotary Club, the Lions Club, all those volunteer organizations which did not wait for Government to do it but took the lead themselves. It was supported by Government, but the lead and the need was truly demonstrated from that community.

* (1530)

As I was heartened, Mr. Chairman, as Minister of Seniors, to say how pleased I was with the report that I received from the YWCA in Thompson as it relates to elder abuse and some of the ideas that came out of that community. It is not up to us to develop all the good ideas. We are not the people that clearly always understand what is best needed, but if we put in place the mechanism for the ideas of the people of the community to advance, then this province will advance. If we as politicians, I think, work in a productive, positive way, then the province will be enhanced.

I say again, Mr. Chairman, I look forward to the Members of the Opposition, yes, with their criticisms but hopefully with some positive ideas that can make not only northern Manitoba a better place to live but the total province and the country. Thank you.

Mr. Chairman: We will now ask the critic for the official Opposition to make his remarks.

Mr. Herold Driedger (Niakwa): Mr. Chairman, after having listened to that opening dissertation and not only just listening to the entire text but also to the length thereof, and if one was to measure in the way the Minister is attempting to indicate the success of his department by the length of his dissertation then we would have to feel that everything is very well in northern Manitoba indeed, under his tutelage.

However, I think sometimes—and perhaps we could read into this perhaps the Minister is saying too much, because perhaps it is more correct to state that it is inversely proportional to the length of time he is spending that indicates actually how things truly are north of Winnipeg. If we want to refer to one of the latter comments that he did make which was to state that not everything happens here in this city and that we tend to ignore things further north.

I do want to briefly indicate to the Chairman that I felt slightly out of place in this Chamber, for in the last 40 minutes I do not think I had any reference at all to either the Liberals or to the Member for Niakwa, although we did hear much for the Member for Rupertsland and the Member for The Pas, because they were the people the Minister was trying to convince of his interest and of the work that he was doing. I am wondering if the lack of recognition was due to the fact that he felt there was either not the kind of comment

coming forth that he would like, or whether it was the case that he felt by opening up an avenue he might get more than he had bargained for. I think, from my perspective, it is the latter and that is the area that I intend to focus on.

Mr. Downey: I thought the Member was listening. I referred to Members of the Opposition, and I clearly believe that he is a Member of the Opposition. If he feels somewhat rejected, I think I did make reference to the Member for Niakwa in certain parts of my comments, Mr. Chairman, and I would ask that he review that. It was certainly not intentional ignoring of him.

Mr. Herold Driedger: I did not intend to indicate sensitivity on my part, and I wonder the sensitivity on the part of the Minister for jumping up on that point of order. That was not the case at all—

An Honourable Member: It was a point of clarification.

Mr. Herold Driedger: A point of clarification, I have been told. I was listening; I did hear each time. I actually made copious notes although I need not have. I could have waited for the summation at the end of the Minister's prepared statement, and essentially taken down the 10 points that he made.

I do believe early on in the Minister's Address he did reference the fact that there was some feeling that he, a rural Member from southwestern Manitoba, might not have the appropriate sensitivity or the appropriate policies for northern Manitoba. He went to great lengths to explain to us that this was not the case. I feel that was a comment well worth making because I do believe everyone in this Chamber, regardless of the fact that it happens to be in Winnipeg, and we do have representations from across the province in this Chamber, there is not one of us who truly does not feel that northern Manitoba, the people of northern Manitoba and the resources of northern Manitoba are not very much the wellspring from which flows much of our prosperity in the South.

I think that it is our recognition, and the fact that we feel we must state the fact that we have this recognition, that bespeaks to the Northerners and bespeaks to Native people the fact that we do hold that area of the province in high esteem. I feel similarly impressed that I, too, should indicate slightly why I feel, as a Member of the Liberal Party and as a Member of the Opposition, that my selection or election to be the Critic for Northern and Native Affairs, too felt, becomes one that is not an appointment that was made without some consideration for what we do or for what kind of background we bring to it.

I make no apology for the fact that I was a teacher in my former incarnation and I make no apology for the fact that I was a geographer and still am a geographer. It is those two things working together—sort of a serendipity—a kind of working together that allows us to have the sensitivity necessary to take a look at the North because much in what the Minister referenced regarding the Government's initiatives for the North, the Repap, the opposition to the removal

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of the Northern Tax Allowance, the Emergency Measures Organization with response to the forest fires, to the development of the infrastructures, and so on, much of that is done with the view of trying to create a balance.

Mr. Chairman, we have to recognize that there are in this balance some of the things that we tend to feel, becomes not questionable but something that has to be looked at very carefully. A geographer knows full well that there is, when something has not the—and I believe the Minister did mention this in one of his comments—private sector initiative to dive in to do on its own. When something like that is not occurring, then it is the role of Government to step in and take care and to make certain that some of the infrastructures that need to be developed, some of the plans that need to be made, some of the policies that need to be worked out, that these get done by the levels of Government that are responsible for it.

A geographic background allows one to take a look at this kind of development. With respect to that, I would like to focus on some very specific things that the Minister mentioned. He did talk about the fact that in northern Manitoba we have remoteness. It is characterized by isolation. But what is more, Mr. Chairman, it is characterized by the fact that we tend to have between the South and the North a difficulty in understanding. It is crosscultural actually, a crosscultural difficulty, not only insofar that people have different traditions, that people have also different goals, different values even. The Minister did reference the traditional values that the northern Natives have, particularly the respect for youth, the respect for elders in their society, the respect for their creator.

It goes beyond that. Also there is a natural tendency to have a respect for authority. This respect for authority, as evidenced by this Chamber by their dealing with Government, is something that we have to recognize when we start taking a look at the policies that are going to be used to start redressing the imbalances. A respect for authority can be characterized very simply by stating that, when I come to you as the father figure or the authoritative aspect within the area that I am dealing with, simply making the request, simply making the statement, simply telling the story is sufficient.

I have now said what I need to do, and I now expect you to take that into consideration as that authority figure and bring it back to—either to take it into account with your policies or to bring it back to the people. One of the things that goes along with this is the fact that you do not build into your whole procedure, your whole process, a means of going back again and again and again because, Mr. Chairman, we know it is the squeaky wheel that gets the grease. If you do not come back with the same statement over and over and over again, many times Government does tend to ignore, not that you ignore on purpose, but rather you are not continually reminded.

* (1540)

I think we, here in this Chamber, have finally come to realize over the past—at least the past 10 to 15

years—there is a ground swell of discontent. There is a ground swell of concern by Northerners to be meaningfully involved in what happens in the North, by Northerners to be meaningfully involved in how the decisions are made in this Chamber, by Northerners to be meaningfully involved in the way the social equalizers, the social programs that we have are applied for everyone in the province.

An Honourable Member: They are getting a good chance now.

Mr. Herold Driedger: The Member for Portage la Prairie (Mr. Connery) says, they are getting a good chance now. Well, once again, I believe that as we focus in on some of the lines and some of the precise questioning in this department we will find that we are making a beginning as the Minister referenced. We were making a beginning with the previous Government. I think every Government has made an attempt to make it a beginning, but it is now when we have to come to grips really with some of the realities.

If it was not for the fact that there are the delays or if, shall we say, the negotiations that were leading to the final decisions on the Northern Flood Agreement, even now today I do not think that the Minister of Northern Affairs (Mr. Downey) could state that the \$10 million he referenced would have been put on table, would have been advanced because none of these decisions are reached at just overnight. They do have a long history in the development, and I would like to think that for the North, in this Chamber, we do not make political points as much as we make economic goal statements, that we make policy decisions that allow us to fulfill those because, Mr. Chairman, there are some things that we have to bear in mind very much, if not only in the back of our minds, but in the forefront of our minds.

In the very near future, 20 percent to 25 percent of our entire population will be senior citizens. In the very near future, 20 percent to 25 percent of all of the employed people in the province will have to be Native simply to get them involved—20 percent to 25 percent. When I hear the Minister referencing 80 percent to 90 percent unemployment in the North, then I wonder how are we going to move from that unemployment status to the place where you need that fullfledged employment? I had referenced in this Chamber before, I do not want that employment to be at just any level in society.

I want that employment to be peppered throughout society so that I have the people from the North, people from all aboriginal groups, people from the indigenous population here represented not only at management levels, not only at the hard working with your hand levels, but at every single level in between. That is where we have to be going with our policies, and I notice that the Minister did reference the Urban Affairs strategy while he briefly talked about the fact that there had been review of the Native Affairs secretariat. It is that Urban Native Strategy which I believe will ultimately, if we do not end up having to study it to death, if we start implementing some of the recommendations that will be coming forward in a meaningful fashion, they

will begin to address some of the aspects of the problem that needs to be corrected.

I hear the Member for Lakeside (Mr. Enns) saying, right on. Well, that is true, it is right on, not just because it is in this instance a Conservative initiative, the Urban Native Strategy, but rather because it is an initiative that needs to begin, needs to carry on, and has to be brought straight forward. Right now when I take a look at the statistics of illiteracy, the statistics of unemployment, the statistics of people not finishing high school, of people not entering the universities, it is the Native people that have the highest percentage in this area.

Now it is this lack of being able to get meaningfully involved that provides the desolate future that causes the depression that leads to the problems of alcohol, drug and other substance abuse that the Minister referenced in his remarks.

He did indicate that, yes, there was now the beginning of a recreational program that would try and get the youngsters involved in organized play because part of organized play is that you develop the team spirit, the group effort and then the leadership ability to go on. The Minister did ask for some suggestions. I would like to make a suggestion in these remarks.

One of the areas of recreation, besides the others that are presently being looked at, is one that is just now being developed here in the province, and that is the biathlon sport which is an Olympic sport. It is a sport that is rather equipment intensive at the upper levels, once you get into high competition. To get children into this, to get youngsters involved in this, does not require a great deal of equipment. It requires simply the ability and the ability to be able to ski, snowshoe, and the ability to shoot with a rifle. These are natural talents that many of our northern youngsters simply have, not because that this is something that they have been granted, but rather this is a skill they have had to acquire, and having to acquire it, it becomes something that is taught from childhood on. You have an extremely good ability here, of these youngsters.

These youngsters from northern Manitoba representing Canada in the Olympic Games I think would do a great deal to provide the very, very role models that Mr. Jim Neilsen is supposed to be representing in the—as was referenced with the recreational grants just a few minutes ago.

I would like to encourage this particular kind of thing to be put forward because there are people who are organizing the biathlon activities, not only for Northerners, but also for Southerners—but there are problems with getting the competition necessary to be able to really move yourself upwards in this. That is where Government could step in and provide a bit of a hand. I will look forward to seeing some of this occurring.

The Minister also did reference, because of the Conawapa development, the investment in hydro development on the Nelson River, downstream from Limestone, and the fact that this might, because I did not hear in his words that he said that there would be

for sure, so therefore I will use the word might, lead to a road up the east side of Lake Winnipeg.

I too would like to see this road developed. As a geographer I know what its benefits can bring. Its economic benefits, its social benefits are absolutely—you cannot describe them. No matter which way you look, it develops, it comes out positive.

* (1550)

I was speaking to one highway engineer about that project sometime ago, and he stated that the amount of dollars necessary to deliver that road would involve something like the amount of resources devoted by the American Government to put a man on the moon. It is an expensive undertaking, so to undertake it a bit at a time, and I understand that the winter road project is essentially advanced a little bit with a bit of permanence here, a bit of permanence there, always trying to make certain what is left is a little bit—provides that land link a little bit further, and this kind of a slow process, although it does not deliver the kind of goal we want immediately, this kind of slow process, is the right direction.

I think with the development, when it does occur—although we have to consider the environmental aspect very much in this. When this development does occur it, particularly with the need to inspect the line and to have access to the Bipole 3 line, which will eventually be linking Conawapa with the South, will provide one more link in that development.

Only three minutes, I thought perhaps the Minister might have—the Minister spoke at such length, I thought I would have a bit more as well.

Then I will just simply refer one more aspect, Mr. Chairman, with respect to one of the things that the Minister did highlight because there are aspects of supporting his initiatives that involve contrary policies that involve perhaps a different way of looking at the involvement of Northerners.

He did reference Manfor himself. He did reference the fact that you had the private sector involved. One thing he did not reference is the fact that the local people were involved right from the ground up. This is one of the aspects that Northerners want. They want fullfledged involvement, whether this is to plan for economic activity, or whether this is to plan for social activity, or whether this is to plan for educational opportunity, or whether this is for training or for anything.

This is where they want their involvement, and there are areas, with respect to these Estimates, that will allow me to focus with a little bit more specificity on aspects that could be highlighted, could be supported, and that demonstrate policies as they are presently structured that may not be delivering the goals, the glorious statements, that the Minister put on the record just a few minutes ago would indicate.

There is a case where we can say that the arrow falls well short of its mark. Although there are aspects of the initiatives that the Government took, which are very, very commendable, the same does not necessarily

follow through as we see how some of the day-to-day activity of the department, the day-to-day decisions of the department, of the Minister, actually flesh out the full impact and the full intent of the initiatives that he had put on the record.

He did state also briefly that the initiatives would create hundreds of jobs. Jobs, Mr. Chairman, indicate people who generally "work for." I think Northerners would like to rather be in much more control with respect to these jobs, so that they also are in the decision-making chair, the decision-making place.

He also referenced briefly, Mr. Chairman, I believe it was the Life Skills Program within the northern training. Life Skills Programs focus on students who do not finish Grade 12. I would like to put just one last comment on the record, and that is we should also be putting in some initiatives and some supports for those children who do, so they do not have to wait as long as they might have to otherwise to continue their education. Thank you, Mr. Chairman.

Mr. Chairman: I thank the Honourable Member for his remarks. I would remind Members of the committee that debate on the Minister's Salary, item 1.(a) is deferred until all other items in the Estimates of this department are passed. The Honourable Member for Rupertsland.

Mr. Elijah Harper (Rupertsland): Yes, can you indicate to me how much time I am allocated to—

Mr. Chairman: The Honourable Member has 30 minutes.

Mr. Harper: Mr. Chairman, I know the Minister of Northern Affairs (Mr. Downey) has had a lengthy speech, and there are many concerns I have in respect to some of his remarks.

I would like to indicate to him and also respond to some of his remarks. I would like to congratulate him on his speech. I would like to congratulate on taking action, many of the activities that we initiated as the NDP Government. I would like to put some things on record.

Some of those things indicate the Native secretariat we formerly put into place when I became Minister responsible for Native Affairs. That is within 1986 we developed the Native secretariat, made into more function and also to assign more responsibilities. I know the Government has done a review of that secretariat, but much was to be completed. I do not know what could have been reviewed because many of the things were still in a development stage, although it cost the Government \$20,000 to review. Some of those recommendations are still on paper and have not been implemented at all.

The other area of course is the one we started, the Urban Native Strategy which this Government initiated the beginnings of, but we did have some plans in place how to continue to develop that strategy. I must say that they must be critical of the Minister of Northern Affairs, how this was handled. I believe it could have

been handled in a different way. I believe instead of just contracting it out the Minister should have been more involved as to the direction of the whole process. I think by contracting it out it left out other agencies from being involved. One of them primarily of course is the federal Government. The other one of course is the municipal, the City of Winnipeg. As a result of those actions the federal Government is no longer involved. Let us see what kind of recommendations this Government has.

(Mr. Helmut Pankratz, Acting Chairman, in the Chair)

I think this Minister has bungled that, because there was a way of bringing in the feds to be involved in that whole process, and also funding that part of the process on continued involvement through the core area. I believe because of that mistake, I think the feds have been let off the hook, which I am very critical of. I think they have responsibilities in the City of Winnipeg, particularly the Indian people in the City of Winnipeg. I think we would have seen their continued involvement in the whole process of providing services to Indian people, and that is one area.

The other area of course is the hydro development. I know the Minister of Northern Affairs (Mr. Downey) wants to take credit for the northeast hydro line. This process has been ongoing for the last 20 years. When I was chief I was negotiating with the feds, negotiating with the province to try to bring in the hydro line to the northeast part of Manitoba. As a matter of fact, when we were in Government in 1986 we did announce as a province to build that hydro line along with Manitoba Hydro. The only thing that had to be done was to complete the negotiations with the feds. Of course this Government announced a northeast hydro line in their campaign in 1986 I believe, and also announced it in their throne speech in 1986. To this day they have not completed the negotiations. Hopefully they will be able to complete that very shortly.

They want to take credit also for the negotiations with Ontario Hydro. Of course, we also initiated that. There is nothing new with the announcements or remarks by the Minister of Northern Affairs. He talks about Repap. I mean those were negotiations that were continuing. Unfortunately, the interests of Native people were not protected at all. As a matter of fact, those were not built in. I will just give you an example: the Conawapa deal in terms of building that hydro line and also the Bipole 3 that is supposed to come on the east side of Lake Winnipeg.

I do not know where the Minister of Northern Affairs (Mr. Downey) was, but he is supposed to protect the interests of Northerners and also the aboriginal people in those areas. As the the Minister of Northern Affairs mentioned, we should learn by the Limestone process the mistakes that we have made and also some of the things that we had left out. Unfortunately, the Minister of Northern Affairs was not there to improve the collective agreement in the Nelson-Burntwood Collective Agreement that should have been improved.

We realized it as we went along that area needed some improvement, but the Minister sat idly by without any consultation to the Limestone aboriginal partnership

work. One of the prime reasons why they opted out was because they were frustrated in dealing with this Government. As the Minister knows, many of the activities that had to be carried out and that would have to be negotiated with contractors and provisions for northern and Native people, I would like to see what this Minister has to offer in protecting and also working to get employment for those Native people.

* (1600)

As a matter of fact, under the Limestone Training Agency which has been shut down and transferred over to Keewatin at probably a smaller scale, because many of the people who were employed in Limestone were Native people, but they have all gone and went away. What kind of program is that where you employed Native people and they are no longer employed by the Limestone Training Agency but being moved over to Keewatin Community College?

I believe our strategy was more enhanced to improve the participation of the northern aboriginal people. We had of course planned for a northern university to be developed in the North, not necessarily independent but rather to encourage and also to affiliate with a number of institutions in the North. We spent, I believe, annually about \$23 million in training in the North through NDA, through university access, through other educational programs, that could have been developed with the people in the North, also to develop a mechanism where Native people would have more say as to what kind of training they would need.

I believe by moving the training agency, at least the northern training agency to Keewatin, limits the development for more training, because we do not have the capacity to deliver those programs. As you know, the Limestone Training Agency provided many training programs on site. In this community-based training we had simulation training. I know the Minister of Northern Affairs (Mr. Downey) says some of the training opportunities that you provided were not recognized. I must say that under the University of Manitoba, the engineering program is certainly recognized and is already a program which was initiated by this Government. To say that there is no recognition of any sort to benefit northern people is not totally true.

I wanted to just mention too in terms of the whole resource development in the North, I think that is an area where we need more involvement. The development of the North in terms of resource development is an area that we need to work on. I know this Minister has a particular kind of philosophy that the private sector would create the jobs, but the philosophy of Native people is similar to mine as a Member of this particular Party, that the resources belong not to the company or to the Government but to the people of Manitoba.

I think the onus is not necessarily on the private sector to provide those jobs, but also the Government should take part in it. That is one of the reasons why Repap, the way it was negotiated, that it was after the fact, that we begin to sort of try to negotiate for work for those people. That should have been part of the

whole process, to secure that. Some of those outstanding issues that this Government should have been dealing with should have been part of the deal. The Treaty Land Entitlement, the Northern Flood, those areas are being affected by the cutting areas of Repap. Certainly those areas could have been part of the process, like the Grand Forebay. Those areas need to be looked at because there are still outstanding issues. At the Moose Lake area, I know that the Minister said that we would try to get some contracts going; whether it will come about or not, we will have to wait and see.

I know all these things that the Minister of Northern Affairs (Mr. Downey) has remarked on are nothing new at all. It is just a continuation of things that we put into place. I know he wants the credit for some of those things that we did, but certainly I believe we are heading in the right direction to try to get the communities involved in the whole development of the North.

In respect to the Northern Flood Agreement, I know we had negotiated with the Northern Flood Bands to try to achieve a settlement of \$10 million. I would ask the Minister of Northern Affairs what has he obtained as a kind of settlement in respect to that \$10 million that he has advanced? I know that when we were negotiating we had individual claims, individual issues that we settled outright and came to a conclusion on many of these issues.

I do not know whether any settlements have been reached. I know a few announcements were made in respect to the \$10 million, so I do not know. I would ask the Minister, I guess on the line-by-line basis, as to what was achieved with that \$10 million. I would be interested to know that now. I am sure that the communities would like to know what was achieved because in one of the communities there were payments made out. Where these negotiations are happening, we would like to know what specifically these monies are allocated for, or what kind of settlement they have achieved.

(Mr. Chairman in the Chair)

I wanted to ask in terms of the Native Secretariat. There are some recommendations, I do not know where the Minister is going to lead this department to or whether he is going to enhance it or what kind of activities this Native Secretariat will be working on. I know that there are many issues that the Native Secretariat was involved in, taking part in trying to settle outstanding issues within the aboriginal community with the Indian people of Manitoba. I know that there are lotteries and gaming, I do not know where it is at right now, where that is. We have taxation that needs to be addressed. Child welfare of course has gone a long way, it has provided a model for many of the provinces, how we have handled that issue and given the mandate, given the authority to the Indian Bands. We are certainly proud, as the NDP administration, to be able to achieve that, but there is more work to be able to do that.

There are other things like under the Secretariat which I would further ask about. Those issues come up as to where the Metis self-government is going, where the Louis Riel Institution, some of the economic

development, I think those are issues I will be raising later on on a line-by-line basis.

I just want to maybe conclude at this time, just to say that some of the initiatives that have been taken by this Government, I would certainly support because they are the same kind of initiatives that we carried on in terms of trying to improve the lives of aboriginal people. But in areas like the east side of Lake Winnipeg, the road that he talks about, I do not know whether it can become a reality because you were still trying to negotiate with the feds on the northeast hydro line for many years, and that has not been finalized yet. So those things we may be looking at 10 years down the line. I am not quite sure, but it sounds attractive, sounds good for this Minister to say that. But then again, I think aboriginal people are cautious as to what this Government has to say because they have had experience with similar Governments before, particularly the federal Government.

I know the Minister says we have not delivered. I know that we, as aboriginal people, feel that we need to be more involved, and the Minister says that Native people have not been involved at all. It was just very recently that an aboriginal person stepped into this Chamber for the first time. I was very uncomfortable when I first walked in this non-aboriginal institution. I did not know how to proceed or the conduct of the people that were in the Chamber.

* (1610)

At this time much of the Native issues have been raised—I think they have been profiled in the news. Of course, we announced the Aboriginal Justice Inquiry and many other things. One of the other outstanding issues that I neglected to mention is the Treaty Land Entitlement. I do not know where this is at. I know I signed an Order-in-Council passing the Treaty Land Entitlement, and the federal Government has not acted on it. To raise it with the Chiefs at this time would be meaningless because some agreements that were made, like populations figures 1976, have way passed over 10 years now. To try to renegotiate the agreements that were signed in principle, I might say, by the Chiefs, by the Province of Manitoba, and also by the feds, is sort of out of date.

I know that the bands still want that Treaty Land Entitlement to come to a conclusion because the Minister of Indian Affairs—not this present Minister, but Mr. McKnight, who was the Minister—actually wrote a letter to this Government indicating that he did not want to proceed with the Treaty Land Entitlement that I had already taken to Cabinet and passed on to him.

So I do not know where this Government will lead this issue. I know that when I asked the Premier (Mr. Filmon) of the province, he indicated that he would carry on the policy of the past administration. I would assume that this Minister (Mr. Downey) would carry on with the same agreement in principle that had been signed by all the Parties. Certainly I hear him say, let us review it, but I think he needs to take a lead role as to where he could provide some leadership role on that because he is the Minister responsible for the Treaty Land Entitlement.

I know that these issues have to be resolved because it seems to us, as aboriginal people, our lands have not been settled and we are seeing our land being allocated or disappearing for resource development. We do not want to get land that has already been exploited and there is nothing there for the Indian people. I think it is about time that particular issue should be settled. Certainly I did everything to try to get the federal Government to sign the Treaty Land Entitlement. I think that same kind of pressure should be applied by this present Minister and this Government.

So I would just leave it at that and continue with the line-by-line discussions of the Estimates for Northern Affairs. Thank you, Mr. Chairman.

Mr. Chairman: At this time we invite the Minister's staff to take their places at the table and ask the Honourable Minister to introduce them. Would the Minister care to introduce the staff?

Mr. Downey: Mr. Chairman, I will be pleased to introduce the staff of the Department of Northern Affairs and the positions. I have Dave Tomasson, who is the Deputy Minister of Northern Affairs and Acting Secretary to the Native Affairs Secretariat; Brenda Kustra who is Assistant Deputy Minister in charge of the Agreements Division; we have Oliver Boulette who is the ADM in charge of the Thompson office which has a majority of the staff complement; and Rene Gagnon who is the Director of Administration.

I just want to, Mr. Chairman, in introducing this staff again to publicly thank them and their staff for the above and beyond the call of duty that they performed this summer in working with the Emergency Measures Department, in working with the Natural Resources Department, working with the Department of Highways and all other civil servants, Mr. Chairman. I say this most sincerely publicly that they did in fact work many, many hours with the cities and the towns and the communities in making sure that the lives and the properties, where possible, were safe. I am extremely proud of them, Mr. Chairman, and I want the public to know that.

Mr. Chairman: We shall now consider 1.(b) Executive Support: (1) Salaries. Shall the item pass—the Honourable Member for Niakwa.

Mr. Herold Driedger: Mr. Chairman, just a question of process, and this is also for the benefit of my colleague here. We basically were discussing this, and I would like to know what the situation will be in the Chamber here. Do we go line by line for each and every item or do we simply ask our questions and do the passage of everything at one time?

Mr. Chairman: What is the will of the committee?

Mr. Downey: Mr. Chairman, I leave it up to the Member of the New Democratic Party to make his own comments, but I will be more than prepared to deal with the broad range of questions, as they relate to both the Northern and Native Affairs Departments, and

pass it all at once. I am satisfied with that procedure if in fact the Members of the Opposition are.

Mr. Harper: I think my recommendation would be to deal with the broad range of questions unless other members of the staff who are not here would not be available. If he feels comfortable that the staff will be able to provide all the answers, I would be satisfied with that. I would just like to indicate and congratulate his staff for the fine work that they have been doing.

Mr. Chairman: Is that the will of the committee—agreed. Agreed and so ordered. Shall 1.(b)(1) pass—the Honourable Member for Niakwa.

Mr. Herold Driedger: In keeping with our broad range of questioning, I would like to really take a bit of time today to focus on one of the areas that I have touched on from time to time in questions in the House. That is actually the Native Affairs Secretariat, and I do recall that the Minister did introduce the Deputy Minister as the Acting Secretary of the Secretariat. Just to bring us up to date, and I believe that the Member from Rupertsland did also point out that the work of the Native Secretariat in the previous administration, and I am sure in this one as well, is complex and proceeding apace.

I am wondering if the Minister would care today to indicate how come—and I know the question has been put to him before, but I would like to have a more complete answer than can normally be given to us in Question Period. How come we still have an Acting Director of the Secretariat after about two years of operation? I think that this body, particularly with the budget it has, deserves a full-time director, and I think that would give more focus to the Secretariat if it had one.

Mr. Downey: It is full time even though it is classified, or we refer to it as Acting. I guess one could ask the question or get the response from the former Minister when in fact he indicated it had been established in 1986 and the position had not been filled on a full-time, or a basis any different than what we currently have.

Let me say, it is important that we have the position being filled and operated effectively, and I am confident that the current operations of the Native Affairs Secretariat are working well. That does not preclude though the further move to filling that position with a full-time person. We have endeavoured over the past short while to discuss with individuals who may or may not be available to fill that position. I have not finalized the decision but am working to that end.

I again say, very seriously, that the job activity is being carried out most effectively. I say this coming from the Native community, both from the Metis and the status and non-status Indians of the province, that there is a good working relationship, as it currently exists. I would not want to put a person there for the sake of putting a person in and upsetting a relationship that has been, I think, productive in the term of office that I have been the Minister. When that person is

identified and the decision is made—and I say most sincerely, one of the reasons as well as progressing with some of the ideas that we have had, one of the reasons for moving in that direction is the workload that the current Deputy is carrying as Deputy Minister of Northern Affairs and Native Affairs Secretariat.

It is a big load, there are many initiatives that are being developed for northern Manitoba and the workload is heavy, so that would be one of the main reasons to make the move. I am planning to do so as soon as I have further discussions with both the Indian and the Metis communities on the filling of that position. There have been some attempts, discussions with individuals, but to no conclusion at this point.

* (1620)

Mr. Herold Driedger: I hear what the Minister is saying. I guess, personally, I would like to feel that a good deal more focus could be provided to the Secretariat if there was a—I suppose the director was named as no longer just Acting but actually had full charge of that department. In line with that particular recognition I would like to ask the Minister, without going into the details which he cannot give to us here on the floor: would he give me a brief description of the activities that the Secretariat actually does engage in?

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

Mr. Downey: The Member for Rupertsland identified some of the areas which the Assembly of Chiefs have had as a concern and which we have tabled as one of the larger work involvements of the Secretariat. That is with the Urban Native Strategy, which through consultation with the different organizations, including the federal Government and departments of Government, leadership from the different Native groups in the urban centres, to be involved in that major initiative. The whole question dealing with taxation related to Native affairs, the question of gaming, the question of land claims, is an area which is under that responsibility, and as well health and education.

As well, Mr. Acting Chairman, I think it is important to make sure on behalf of the Metis, the status and non-status Indians of the province, that there is a working relationship as it relates to—whether it is the Conawapa development, whether it is Repap, whether it is the new federal funding—CAED, I believe, the word is. There is a broad area in which the responsibility falls. It is a major workload and developing more all the time. I say most sincerely that when the right person is identified, then that position will be filled.

Mr. Herold Driedger: Then, just following up on that answer, I would like to ask the Minister. He identifies as part of the role of the Native Secretariat the inquiry into—and he referenced justice, gaming, taxation, and education, I believe, and child and family services as well, for the Indian community. I believe that if we were to follow that on a little bit further, we could reference the data base, the housing, the education, the child and family services and probably justice as well for the Metis community.

It seems to me that both of those two initiatives were specifically assigned to the Assembly of Chiefs for the former, and the MMF for the latter. You actually have separate line items, I believe, in your estimates to indicate, and also Orders-in-Council—if I recall correctly enough to go back in my records to check for sure just which ones they are. He funds the Assembly of Chiefs to look at these items, and he has the MMF for the Metis tri-partite process, and they are actually funded specifically to do this. I am wondering how the Minister then assigns the role or this initiative to the Native Affairs Secretariat, just what is the relationship here?

Mr. Downey: Basically the role is to meet on an ongoing basis as often as the two groups or the different groups agree to meet, both at the level of the Secretariat and also with staff. It is an ongoing process as it relates to both the tripartite with the Metis and also the other issues as it relates to the Assembly of Chiefs. There are working groups that work on an ongoing basis under the direction of the Native Affairs secretary.

Mr. Herold Driedger: Of the workload—I suppose since the secretary to the Secretariat is here, could I get a percentage of time allocation for the secretariat which is assigned to this particular initiative so that we can get a rough idea of what some of the other things are that it might be doing?

Mr. Downey: Mr. Acting Chairman, to be honest with the individual, I think it would be difficult to break it down as a percentage basis because a lot of the activities that are carried out by the Deputy Minister of Northern Affairs are in the interests of the Native community as well, so I would hate to break it down in the percentage area. We could give a figure, but I do not know whether it would be that meaningful to the Member.

There are a lot of interrelated activities that take place whether it is the Secretariat working with the recreational activities, negotiating or discussing with some of the bands and some of the communities. We have some 56 communities in the province of which are provincial responsibility, which in a lot of cases are adjacent to the status communities. To specifically say a time frame or break it down on a percentage basis, just simply not to want to mislead or put inappropriate numbers on the record, I am reluctant to do so. I could say 50-50 and probably be as accurate as asking the individual who works there, my estimation would be in that neighbourhood.

Mr. Herold Driedger: From the Minister's answer, I am not trying to pin him down to a precise percentage and then run over there and determine, well, it is one percentage out and basically get all hot and bothered. That is not my intention at all. It is just to get the idea that I would say the answer would be considerable. If he would then state that a considerable amount of the assignment time for the Native Affairs Secretariat is devoted to this aspect of dealing with the Assembly of Chiefs on their jurisdictional definitions of items leading to self-government and the Metis tripartite process which is sort of looking at the same aspect for the MMF.

The Minister then also referenced, after I believe the first question, that the Native Affairs Secretariat was very involved in the urban strategy development. I would assume then that since a considerable amount of the energies of the secretariat are devoted to the MMF and to the Assembly of Chiefs and that particular initiative, then the other aspect of the secretariat dealing with the urban strategy should also be a very considerable amount.

I suppose this is where we have a bit of probably a policy difference, and that is why I would like to have the Minister spend some time on this particular answer. He did state the Secretariat is heavily involved in this particular initiative. I know that in questioning in the House, I also asked him with respect to the urban Native community and the unity process that actually started an initiative back in December which he supported to some extent with a small grant of dollars.

By continuing support of this process which was initiated by the Native community here in Winnipeg and organized by the community—and basically the whole definition of the process was being also done by the Native community here in Winnipeg—I would have assumed that the Native Affairs Secretariat would have been very involved in this aspect and would have encouraged this process to perhaps develop the co-ordination necessary which would have ultimately led to the development of the strategy. The Minister and the current Government instead chose to go to a private consultant to—mind you the initial process, I have subsequently seen the report. I think the report goes a bit further than the first stage that the unity process had achieved, but nevertheless, he essentially went to a private consultant, Resource Initiatives Limited, to continue with this or to begin the process anew. I would like to have him explain the relationship then of the Native Affairs Secretariat with respect to the development of the Urban Affairs strategy and how the urban strategy as developed by the private consultant fits together.

Mr. Downey: I thank the Member for that question, because I think it is important to be clear that the work activity of the Native Affairs Secretariat with all of the other responsibilities of dealing with the issues the Assembly of Chiefs want to have dealt with, with dealing with the whole question of all the activities as it relates to child welfare, as it relates to the taxation policies, as it relates to gaming, as it relates to land claims, as it relates to education, are big responsibilities and areas of which I think we should be working to enhance to try to provide opportunities for our Native people to maintain job opportunities in their traditional communities, and that Government work to support and to enhance those opportunities. One would not want to maintain a fairly high level of work activity in that area.

Equally as important was the need for the advancement of—and my friend from Rupertsland indicated that the Urban Native Strategy or the urban Native work was one which was of a fairly high priority within his Government. It was clearly one of ours and we clearly indicated in the throne speech. To advance the work, not just in Winnipeg but throughout the

different urban centres in Manitoba, there was the need for the additional work activity to be carried out by someone else who was knowledgeable in the whole area of urban Native activities working with the workshop process, working with the consultation process, people who were knowledgeable in that field were employed.

* (1630)

I know there were individuals who were working on the whole activity other than the principal person who the contract was signed with. The magnitude of the job and the urgency of it required and necessitated the contracting out of that initiative. Let me say it was the first step and it was from the feedback that I have received, for the benefit of the Members opposite so they are aware of it, has been extremely positive from the different Native groups from our urban setting. It really is a first step in a first stage to the development of further policies. Let us just make sure when we are working on these areas that we have to appreciate people who are migrating to our cities, that there are social programs, the housing programs or the economic opportunity programs, job related, education related. The fact of the matter is, we have a lot of our northern and Native people who are migrating to our cities for job opportunities. I think it should be the priority of any Government to enhance those opportunities and deal with a very important segment of our population, of our people.

That is the reasoning behind it and if we were to have expected the limited staff that we have within our Native Affairs Secretariat to carry out the total picture as one organization, I say something would have had to suffer. That is the reason for the action that was taken.

Mr. Herold Driedger: I have not been able to find out precisely the budget that was allocated to the urban strategy in the previous budget which would indicate the numbers, the importance of that particular thing would cost. I notice that there is one line item in the area here under the Aboriginal Development Fund, which I believe is line 19, 5.(d), which is increased by about \$250,000 over last year. I am just wondering if this is being allocated for further work along this process, or if this particular line item is another area of expenditure that may be looked at by this department. Because I would be interested to know where, I mean, exactly how the allocation of resources to develop this strategy is being arrived at?

Mr. Downey: Basically to keep it short and to get on with the whole area that was an increase for the purpose of supporting the indigenous women, there is a small support fund for the aboriginal women, to increase the support for the Chiefs and for the general area as it relates to the Native people. It was an increase of \$250,000.00.

Mr. Herold Driedger: I am sorry, I guess I am going to have to ask the Minister to be a bit more clearer than that because I understand that under that particular budget line item, the \$250,000 I am referring

to goes under the Aboriginal Development Fund which I believe is largely project grants, and under that respect I would think the Urban Affairs Strategy Development would fall under that, and I believe that is also the line item we use for the Metis Tripartite process, and also the line item we use for the Assembly of Chiefs. I would think that the grants, which is just above that which actually has not increased, which is CORE funding, and if I take a look at the Orders-in-Council I find that the reference to the indigenous women collective comes out of that line item.

Now, if I have read those things wrong I stand to be corrected and I wish to be corrected. It is just that I am just trying to determine roughly the allocation of the resources.

Mr. Downey: Again, I went to the wall and I fought for the increase of some \$250,000 in the Aboriginal Development Fund, which is an increase of \$250,000 to enhance the opportunities for the indigenous and the aboriginal women of this province, a substantial increase for the overall development and the opportunities for Native people. The \$250,000 is part of the Grants of \$648,000, which is the line above the \$850,000.00.

Mr. Herold Driedger: Okay, thank you. I will look at that a little bit more closely, it just seems that it was part of that line that should have been shown on that line, as opposed to the line below. Could the Minister indicate just quickly as to whether or not there is any further intention of utilizing resource initiatives or the similar private consultant to further the development of the urban strategy, and what resources he has allocated to that end?

Mr. Downey: Yes, there is an intention to further advance work in that area. Who will be doing it I am not absolutely sure, although I do have to say that the people, particularly from the Native community, as we develop the urban Native first step process, we are satisfied and quite pleased, in fact several have come back and indicated the next work they would like done is by that same organization. But at this point a final decision has not been made on it, but it is part of a process and I say one should not argue with success, and if the community who you are trying to work with are satisfied and want to continue then they make a pretty good case. I am expecting, to be quite honest, to have some written support that would indicate that. How much? There has not been a final determination made, but I think the Member would agree, as the Member for Rupertsland (Mr. Harper) indicated, it is initiative that we should be proceeding on with as quickly as possible.

Mr. Harper: I want to continue on the Native Secretariat. There have been some recommendations made by the people who reviewed the Native Secretariat. I would just like to ask the Minister what he intends to do with the report or whether there are any plans to change the Native Secretariat, or to increase the staff or a different direction? What are the plans of the Minister responsible for Native Affairs?

Mr. Downey: Again, I thank the Member for that question because I think it ties, after having done the

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review of the Native Affairs activities, the Member himself, in his opening comments indicated that it was established and it was in the initial stages of development, and wondered why we had to do a review of it.

I say to the Member, I think it was initially established for pretty much the sole purpose of preparing constitutional work as related to the First Ministers' Conference—I am not sure what year it was, about '86 that the work was taking place under the previous administration. That was the establishment period of time of the Native Affairs Secretariat, to see the broader role that it may be able to play on behalf of the Native community.

Since that time, we have done the work on the Urban Native Strategy and it appears—and this is coming from a lot of the Native leadership, that it ties in very closely with the whole question of the Urban Native Strategy and particularly as it relates to the establishment of an advisory council and putting in place individuals of Native background to deal with and to work with the communities at large that have shown the need and the desire for greater understanding and input from Government.

They tie very closely together and the Member may make reference to a specific recommendation that he wants a specific answer on and I can respond to him in that way, if he wants to deal with a specific recommendation then I will respond to that specific recommendation. I am saying where it relates to all the recommendations, ties in very closely with the Urban Native Strategy and I hope to be able to advance that initiative very quickly.

Mr. Harper: I would like to ask the Minister in respect to the Native Affairs Committee of Cabinet, I was wondering whether that committee is still in existence. I believe we had, as a Government, a committee in place to deal with the Native Secretariat through which the Native Secretariat reported, which is a subcommittee of Cabinet and subsequently to the Cabinet. I believe this administration, this Minister, has not had one Native Affairs Committee of Cabinet meeting at all. Is that committee still in place or has it been dissolved, because I have not heard whether the Minister announced that or not, has not met at all, or is that going to continue, or is just not operating?

* (1640)

Mr. Downey: Let me very be straightforward with the Member. I operate as a Minister, one who works as a team player and I call upon for the expertise of my colleagues, the Minister of Family Services (Mrs. Oleson) as it relates to Native child care; as it relates to gaming and activities, we have had ongoing committee work with my colleague, the Minister of Heritage and Recreation (Mrs. Mitchelson); as it relates to education and the different activities, particularly of the Louis Riel Institute, and the Minister of Education (Mr. Derkach). For me to say that there is a clear structured committee I would be incorrect.

I would say probably that we have a more aggressive approach through the work with the Premier and the

other areas of responsibility to enhance the opportunities and the activities that relate to the Native Affairs Secretariat. I think I have an idea the Member is saying, do you have a committee that meets once a month? We probably meet once a month or more often as it relates to some of the Native Affairs Secretariat issues, but it is not as structured as the Member may think it is. I think it is pretty effective from the responses and the results and the comments that we are getting from the Native community.

(Mr. Chairman in the Chair)

Mr. Harper: I wanted to ask the Minister that question because I believe if you are going to have teamwork, you should bring people together in one room as a committee. The Minister has indicated that there is no committee in existence. Surely, when we are in Government, we are able to deal with policy issues and discuss at that level. We did not meet once a month; we met every two weeks, not only with ourselves but to meet with Native organizations so we have interaction with the aboriginal community very closely and have more interaction with them.

I wanted to know whether that has changed or not, and I guess he has answered that question that he does not go through that process.

My other question which I wanted to get clarification for is when the Member for Niakwa (Mr. Herold Driedger) is asking it for in terms of grants. Under the line Native Affairs Secretariat (c) Grants, it says here, 648,000 for 1989 and then for 1990 it is 648,000 and I believe the Minister indicated that 250,000 came under that line. The line that the Member had spoken about was line (d) Aboriginal Development Fund in which 250,000 was added on, and I believe the Minister referred that he had fought for additional 250,000 but not under Aboriginal Development Fund, but for the grants that were provided for the aboriginal and other agencies. Could the Minister clarify that?

Mr. Downey: I do not want the Member to leave here saying that we do not have a committee for Native Affairs Secretariat. We do have a committee process. We met several times as it developed the Urban Native Strategy and met probably more than once every month. I will check the Minutes of the previous Member's activities and see what the activity was.

The other point I want to make is the results are extremely important. committees of Cabinet are extremely important instruments and process to use, and I think it is an excellent way of doing it. I think as well it has to be the desire of the Minister who is the lead in each particular case to advance those issues. There are meetings. I do not want him to feel that there have not been structured meetings of committees of Cabinet dealing with this issue, there are. To produce an Order-in-Council that says, this is a committee of Cabinet, then I cannot do that.

Dealing with the second question, as it relates to the 600,000 in the Aboriginal Development Fund last year estimate versus this year estimate, there is an additional \$250,000 which is to put into the support for the different

groups in our society. I make reference specifically to the indigenous women who got \$70,000 support from the Province of Manitoba which they received nothing from the previous administration. That is what makes up part of that additional \$250,000, so I hope that clarifies the question for the Member.

Mr. Herold Driedger: I do believe I would like to, just before we leave this particular item, look at something else. The Native Affairs Secretariat—the Member for Rupertsland (Mr. Harper) was asking about how it related to what the indigenous women who got \$70,000 support from the Province of Manitoba which they received nothing from the previous administration. That is what makes up part of that additional \$250,000, so I hope that clarifies the question for the Member.

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Mr. Herold Driedger: I do believe I would like to, just before we leave this particular item, look at something else. The Native Affairs Secretariat—the Member for Rupertsland (Mr. Harper) was asking about how it related to what he called the committee of Cabinet. If we take a look at the departmental organization, I see that the Native Affairs Secretariat fits in just underneath the Minister itself; in other words, reports to the Minister. As such it is an extremely important and influential advisory body or group within his department that acts as a resource for him and for the Government.

In the review process, the consultants who did the review of the Secretariat came up with a fairly comprehensive list of recommendations as to how they saw the Secretariat evolving and how they saw the aboriginal community interacting with the Secretariat. I know that the Minister responded briefly to one question on the Secretariat as to the recommendations, not saying which one recommendation he was going to accept or reject or whichever.

I think that after having had in his possession the report, the review for over a year, he should be able to give us an idea as to how he would see it in future departmental organizations. Does he see it as continuing to be a committee in the departmental organization, as indicated in the Estimates book, reporting directly to him? Does he see it as continuing to be a group of about 10 people, perhaps a few more from time to time, or perhaps a few less depending upon the particular needs of the moment? Or does he see this as a group which will be considerably larger acting more as the conclusions or recommendations that were indicated in the report?

If I can remember correctly, the organizational chart that was in the report was considerably different than the one that I see here presently on page 8 of the

Supplementary Information for Legislative Review of the Estimates page. I would like to think that the description we see here, the organizational chart, reflects the Minister's philosophy, and I am wondering if this is indicative of what we can expect for the year to come or whether there is actually a real change going to be coming with respect to the Secretariat as it does relate to the department.

Mr. Downey: Mr. Chairman, I am a believer that when one takes action or proceeds to move in a direction that one should live up to that commitment and to the best of his or her ability. One of the biggest difficulties I think we have seen in the past has been the indication by Government that people of any particular background were going to be more involved in decision-making process as it relates to the people of which they represent and I do not want to be in a position in any way, shape or form of misleading the individuals whom I represent.

I think it is important to clearly understand, when we establish a process of input as it relates to the Native people of our country, that there is a true meaning that goes with the structuring and the whole activity that is implemented. If I am a little bit slower than what the Members opposite would like me to move, then I accept that criticism. I want to make sure when action is taken and the structure is put in place, whether it be an advisory council, structured within the Native Affairs Secretariat as it relates to urban Native issues, as it relates to other issues, that it is truly a structure that works.—(interjection)— Well, the Member for Dauphin (Mr. Plozman) makes a very important comment, I might be out of Government by the time that happens. That could well be, Mr. Chairman. That is the kind of process that the democratic process is.

* (1650)

It is important, Mr. Chairman, because it is a democratic process. I think that the Legislature should deal with these issues. Whether we do it legislatively, or whether we do it by a committee of Cabinet, or whether we do it by a committee of the House or however, I think we want to be very clear on it. I say, most sincerely, that in the whole process of accepting a structure, let us make sure when we accept the structure that we mean what we are doing when we do it, and make sure that there is input so that there is a better understanding.

I again congratulate the Member for Rupertsland (Mr. Harper) in getting elected, coming to the Legislature, saying that here he found himself as an aboriginal person in a non-aboriginal setting and process of Government, and he did not have a clear understanding. I have to say, coming from the community that I represent, I am sure I had a lot of the same feelings, because I had not been involved prior in any major way as Government. He had been a chief of his community and had leadership responsibilities and activities.

Again, I think it is important when we do, in fact, put a structure in place, that we mean what we are doing, and we truly are prepared to accept the input

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from those people who are given that opportunity. To make it work after it is established is key. To mean that we, as a legislative process and a Government, truly mean what we do, I think is important. We do not just do it for the sake of political expediency and say, well, we have established this particular structure which is supposed to give these people an input. It has to have true meaning, Mr. Chairman, and the Member for Dauphin (Mr. Plohman) clearly understands that, because he was on the other track all the time. He was on the periphery of meaning and more in-depth politically in his activities.

Mr. Herold Driedger: What I read into the answer that was just given, was that the Minister indicates that there is going to be considerable importance attached to the secretariat still, as was before, and as hopefully will be in the future. Whatever the new format it takes when it does occur, it will reflect the importance he attaches to it, and the importance we all attach to that particular body.

The reason I asked the question is also that we have just had recently a relatively important announcement made by Government with respect to decentralization. I was wondering how the review might fit into that aspect of the Government policy, whether the decentralization will end up having the secretariat removed further from Government, or perhaps individuals there removed physically, although maybe still reporting at the same level, or perhaps reporting at a lower level. Could the Minister please expand on that a little bit?

Mr. Downey: Mr. Chairman, not having a lot of time left in committee, I could give a fairly lengthy speech on decentralization as it relates to the total Northern Affairs Department. About the Native Affairs Secretariat, I would not anticipate at this point major impact on the Native Affairs Secretariat in the whole decentralization of Government activities. In other areas under my responsibility there may be, but I say not within the Native Affairs Secretariat.

Mr. Harapiak: Mr. Chairman, seeing as they are not following any particular order in the Estimates process, I may not be available for a question later on during capital, so I was going to ask the Minister—first of all, I was going to make a couple of comments on your opening statement. I wanted to acknowledge that the Minister feels that the Department of Northern Affairs is now answering questions for the whole province, according to his opening statement.

I am pleased to see that he is going to come onside with the Northerners and fight for that Northern Tax Allowance. He acknowledged that it does cost Northerners more to live in northern Manitoba, and I think it is good that he is onside and fighting for that Northern Tax Allowance, because there is going to be great difficulty in enticing people to come into northern Manitoba—not only professional people, but tradespeople. I am pleased that he is going to be taking on that initiative on behalf of the Government, and I hope that he has a little bit of success with his federal cousins, because that is where the resistance seems to be coming.

The federal Member of Parliament who is on that committee says he was never in favour of the Northern Tax Allowance being in place in the first place. It is unfortunate that the Prime Minister or the Minister of Finance would put a person with that type of an attitude to sit and represent Northerners on that committee.

One of the other areas that you did mention was the forest fires. I just wanted to acknowledge all of the efforts of the Department of Natural Resources in fighting that fire, but also the co-operation of the Department of Northern Affairs, and also all of the efforts made by the people all over the North. I was in Grand Rapids before it was evacuated, and people all moved, not only to the City of Winnipeg, but also to The Pas, and the people in The Pas were many, many volunteers and gave many hours. I think it was probably good that they had an opportunity to serve the Native people, because right at that time there was a story floating around that in The Pas community The Pas people did not support Native people. I think that gave them a good opportunity to prove that they are people who will truly consider the plight of their brothers and sisters, and they do not take into consideration what the colour of their skin is. They help them as people and I think that they came through.

I wanted to ask you one particular question coming under the area of capital, and that was that I noticed there has been a reduction in the community access and resource roads. I am wondering about one particular road that, when I was a Minister, we had started building, and then there was some difficulty in getting access to go across a portion of reserve land. That is the David Hobden Road. Has that property been purchased now, and is that road going to be completed?

Mr. Downey: Mr. Chairman, we are letting the community negotiate with the band on that particular road.

Mr. Harapiak: Mr. Chairman, I would hope that the Minister would take on a little bit of initiative and be an advocate for this, because I do not think that it is fair to let that small community council try and negotiate the road. The Minister knows well that if that is left for negotiation to be carried out between the community council and the band, then negotiations will never finish, and he will never have to put a cent in here for that construction, because it just will not happen. I know they were having difficulties with the Department of Northern Affairs negotiating with the band, so I would hope that the Minister would not leave that small community council on their own initiative to handle that negotiation, because they do not have the resources to complete those negotiations.

I would hope that either the Minister or the Deputy Minister would take the initiative and be an advocate for that small community, and try and get those negotiations squared out so that road can be completed, because it will be a useful resource road that will help that community to a great degree.

Mr. Downey: Mr. Chairman, I am not sure why the Member for The Pas is getting so exercised. If I am

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thinking of the same road that he is, it was he and some of his former employees that got us in this kind of situation that we are in with that particular road. Yes, Mr. Chairman, I will support that community, and it will be with competent staff, and we will get the job done properly.

* (1700)

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

Committee rise and call in the Speaker.

**IN SESSION
PRIVATE MEMBERS' BUSINESS**

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

COMMITTEE REPORT

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

I move, seconded by the Honourable Member for Selkirk (Mrs. Charles), that the report of the committee be received.

MOTION presented and carried.

DEBATE ON SECOND READINGS

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

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

Is there leave that this matter remain standing?
Agreed.

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

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

Is there leave that this matter remain standing?
Agreed.

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

Mr. Speaker: On the proposed motion of the Honourable Member for Springfield (Mr. Roch), Bill No.

10, The Beverage Container Act; Loi sur les contenants de boissons, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand.

Is there leave that this matter remain standing?
Agreed.

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

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

Is there leave that this matter remain standing?
Agreed.

The Honourable Member for Selkirk.

Mrs. Gwen Charles (Selkirk): Mr. Speaker, I rise again to speak on this motion, and that there has been a motion put forward to the Bill to bring it into a vote. The Government has seen fit not to agree with that motion put forward, so I feel it is necessary to speak once again on the importance of this Bill to the Government to help them understand the multicultural community and the need of that community. The need for respect and dignity is most of all required by them, as it is required by and for all Canadians.

The other day when I was watching the TV commercial with my daughter, put forward by the federal Government, on human rights, she turned to me and asked me what racism meant.—(interjection)—

Mr. Speaker: Order, please. The Honourable Member for Selkirk.

Mrs. Charles: Mr. Speaker, my daughter turned to me—she is nine years old—and asked me what racism meant. It was a good question because we all know and unfortunately have probably experienced in our lives how some members of our community cannot be, and are not, full participants in our society. In discussing this with her she just was flabbergasted to believe that some people would not see equality of the person based on character and abilities, rather than on the disabilities and on the colour or background. That is always seen in the innocence of children and so quickly lost as we grow older.

We in this House as elected Members are called therefore to represent that which is the best of society, and that is the equality of all people. Past Governments and legislators have seen fit to put into place the Manitoba Intercultural Council, a wonderful council, made up of many of the societies in Manitoba. In particular those who have not necessarily been of many generations in this country and have seen more as the new generations, who have come here to Canada to find their freedoms, to find their abilities, and to work

towards all the hopes, dreams and aspirations that each and every one of us has, and to which we are entitled to as Canadians.

We who have been born here especially of the accepted race, and that being white Anglo-Saxon, seems to be that it is easier for us in many cases to take our part in society. Certainly we see those east Europeans who come over here find it much easier to find their place in society than those from Vietnam, or India, or Africa, or other nations which makes them stand out, not by language, not by character, but only by colour.

They also, when they come to be new Canadians, have to adapt as we do not realize how they have to adapt, not only in the shock of leaving their culture and society, no matter how much that was a desired event, but also they have to adapt to our society. What we take as normal, to them may be indeed very different.

They do not understand immediately by crossing the border, by coming through immigration, exactly what we are expecting of them. They want to try to fit in and be themselves in their own unique way as we want them to be here in their own unique way. The need for the Manitoba Intercultural Council therefore was developed as a means of finding a home, in the greatest sense of the word home, for these new Manitobans and new Canadians.

It was a council that could set out policy to Government to discuss policy with Government that should be put in place so that new Manitobans and Canadians can be accepted for what they are, as unique, wonderful human beings.

In that way we have from that point discovered that many of these Canadians coming over, as many of we Canadians here, wish to come together in our own cultural groups and community groups and form our own unique centres of culture. From that it has been necessary to put forward provincial money to support these new cultural centres, and indeed we are very eager in this province to take credit for our multicultural diversity, and to speak of Folklorama in such wondrous terms, and give over two weeks of the summer our full and outright support of multiculturalism in Manitoba. When it comes into understanding how they need to work and function in the province, this Government has shown its disrespect for their needs.

This Government has taken first off the multicultural task force report the need to take away the funding for the Multicultural Council, and the ability for them to support new groups and present groups of new Canadians, new Manitobans, in their needs as they form them in Manitoba.

* (1710)

The Government claims that it can do that function just as well if not better than the elected members of the Manitoba Intercultural Council. We in the Liberal Party question whether that can be done just as well. We take for instance the events in Chile that have just happened recently, where a country that has not known democracy for so long is now entering into a new stage,

a new arena, of finding out what democracy is and can mean to them. Chileans coming to Canada and those who are in Manitoba therefore have fled a regime that we in this building, fortunately for ourselves and for our children, have had no knowledge of, but a regime that we hear and read about that has snatched people off the streets, have murdered them and hidden their bodies and the information from their relatives.

Are these same people or people of this background able therefore to come to Government on an overnight change and come to Government and ask in the same manner for funding? Would they not feel more comfortable going to a council that is representative of their background? Would they not go to that council feeling more at ease to deal with Government, and would they not be more equal in the eyes of the council than in front of Government who sees them more as political structures than as cultural identities?

There are many questions about why this Government has seen fit to take Manitoba Intercultural Council as their first example of moving toward bringing all functioning of granting systems within their own arm's length. We wonder about the Manitoba Arts Council which still has the ability to provide Government with policy as well as the ability to give out funding, but the Government will not admit that this has any relationship to Manitoba Intercultural Council. It is the same system, and yet they have chosen on one hand only the Intercultural Council to take the funding away from and not the Arts Council. If their rule is true, then it should be true for both hands and not just for one.

The Minister of Culture, Heritage and Recreation (Mrs. Mitchelson) in her speech on this Bill mentioned that the Manitoba Intercultural Council would be too tempted to misuse the money. I am paraphrasing her words, I am not reading verbatim, but as I recall she said they would be too tempted to misuse the money as they have done in some ways in the past. I think that is not a fair statement to make for the Manitoba Intercultural Council. They will admit that they have had to clear up a lot of their functioning systems, that they were a new body that had its beginning problems but over the past year they have put in place a new program and a new system in order to be able to give out grants. Indeed the Government has adopted that system and has not changed it, has taken almost verbatim their system of putting the granting mechanism out to the people and bringing it back in.

If it were, as the Minister wanted to argue, the inability for the Manitoba Intercultural Council to function, then why did they adopt the same system that the Manitoba Intercultural Council has.- (interjection)- The Minister says they would be too tempted. Well, in this day and age when you put in a bunch of political appointees I think the people will be wondering who is more tempted, those who are politically appointed or those who are democratically elected by their peers.

I would hope that those of the membership of the Manitoba Intercultural Council in their wisdom have elected the very best representatives of their background to be on the council and that they will trust them with the monies that are there. I believe this Government is showing their lack of concern and

support for multiculturalism, that they do not trust the Manitoba Intercultural membership to put in place trusted appropriate people who could handle this money well.

This Government talks as if it supports multiculturalism. We have not seen any action on racism taking place by this Government. We have only seen them withdraw monies from the Intercultural Committee. We have not seen them support in any way of any significance other than throwing money at the cause of the real problems that the new immigrants and present immigrants of new Canadians experience here in Manitoba. For these reasons I do not believe this Government has a commitment to multiculturalism. That is unfortunate.

I will continue to work to put forward the needs of the multicultural diversity of Manitoba, and to point out that includes all of us for we all are each unique in our own cultural backgrounds, and we each have something to offer to Manitoba. Let us not cut out from the mosaic of Manitoba any part of our background, whether it is today's or tomorrow's. I believe the Government is doing so by taking away Manitoba Intercultural Council's ability to fund their own peoples in their support of the cultural identity that they are so much a part of.

I wish this Government would reconsider, it would not lose face, it would still gain ground with the multicultural groups if they changed their minds and gave back the funding mechanism to the MIC. I hope that they will consider it. The Government and the Minister wish to say that they believe they are working co-operatively now with MIC and that the people are in agreement. Well, they are not in agreement. They are going along with it, because they would rather work with the Government than against the Government. I hope the Government will give MIC the same respect and work with them rather than against them. I thank you, Mr. Speaker.

Mr. Speaker: As previously agreed, this matter will remain standing in the name of the Honourable Minister of Health (Mr. Orchard).

BILL NO. 17—THE EMPLOYMENT STANDARDS AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Member for Thompson (Mr. Ashton), Bill No. 17, The Employment Standards Amendment Act; Loi modifiant la Loi sur les normes d'emploi, standing in the name of the Honourable Minister of Highways and Transportation (Mr. Albert Driedger). Stand? Is there leave that this matter remain standing? Leave.

BILL NO. 18—THE OZONE LAYER PROTECTION ACT

Mr. Speaker: On the proposed motion of the Honourable Member for The Pas (Mr. Harapiak), Bill No. 18, The Ozone Layer Protection Act; Loi sur la protection de la couche d'ozone, standing in the name of the Honourable Minister of Justice (Mr. McCrae).

Stand? Is there leave that this matter remain standing? Leave? Agreed. The Honourable Minister of the Environment.

* (1720)

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I would like to put a few words in the record on this matter and have it left standing in the name of the Minister of Justice.

Mr. Speaker: It has been already agreed to.

Mr. Cummings: Again, as I spoke in regard to The Assessment Reform Bill, which I will be speaking on next to finish my allocation on Bill No. 20, I would appeal to the Members of the Opposition if they choose to use this as an opportunity to put some thoughts and concerns that they have on the record, but at the same time to take a good look at what the Government has placed before the Legislature in the proposal regarding legislation that will give us an ability to regulate release into the atmosphere of CFCs in this province.

One of the concerns that one has to have in relation to dealing with this issue is to make sure that regulations that are imposed are brought in in a manner that the offending users can comply with the regulations and comply in a very short period of time. With the replacement of CFCs, however, we have not yet acquired the technology in all cases that would allow for the replacement of them as a product that is used in refrigeration for example and therefore requires the recovery of that material rather than allowing it to be released into the atmosphere.

The Leader of the NDP (Mr. Doer) refers to wanting to talk about the size of the hole in the ozone layer. I suppose we could stray into that area, but I think much more importantly Manitoba needs to be a little bit more aware of the fact that we are a very small contributor to the problem of CFC release into the atmosphere. We need to be cognizant of the fact that we must also be in line with the other requirements across Canada and across North America and make sure that we are doing what is possible within our jurisdiction to comply with regulatory requirements across the country. - (interjections)- It is a long time since I have had that much support from the opposite benches.

The media asked me if we had pirated legislation - (interjection)- Well, a CFC is a CFC is a CFC. An NDP is a socialist, is a has-been. We have to get on with the matter of governance in this province and put forward for legislative action the ability and the framework to deal with it in a responsible way, the management of CFCs in this province. We no longer need to have irresponsible release through compressed gas for horns on recreational vehicles, for example. Certainly we could find other products that could be used rather than CFCs.

We do, however, have to have concern for the repair people, repairmen and women who are dealing with CFCs through the course of their operations. Very often when they go to repair a piece of equipment, it may

have had some loss of refrigerant already, but in order to be able to effect a repair they have to release the balance of it.

I would like to report to the Legislature that I have already had communications with General Motors that they are actively pursuing and will have in place very shortly—and I would anticipate, because of their actions, that we will see the other major automobile producers and their service outlets follow suit—the ability to collect any refrigerant that they may have to deal with when they are effecting a repair on automobile air conditioning. That in itself is a major step forward, because as the equipment becomes more readily available for the repairmen at the larger centres, I would expect that technology will very quickly come forward to allow the smaller repair depots, individuals who do some repair work and some refrigeration work on the side, plus those who work for smaller companies, to be able to have the capacity to acquire this type of recapture and recycling equipment.

Effectively what they will do is recapture the material and send it to a location where there will be the capability of taking it into a more secure recapture, and then into recycling, position. The long and the short of it is, Mr. Speaker, that no one doubts the intent in bringing forward this type of legislation. No one doubts the willingness to try and deal with the ozone layer, and the requirements of each individual, and our responsibility as a province, albeit we produce a very, very small percentage of what might be released into the atmosphere in North America.

I would look to the Opposition, that upon introduction of this Bill, if it was a debating point which they wish to score, then they have probably got all of the relevant publicity that they are likely to get from this. I would ask them to look at the Government Bill, to examine it, to criticize it if they will, to let us take it to committee. Let us get on with the implementation of the Bill, so by the time we reach spring we will have the recycling and recapturing regulations in place, so that we can effectively take our place as one of the jurisdictions in this country that is willing to deal with the CFC issue.

If we leave it hung up here in the Legislature into the new year, and if the inclinations that we have received at this point show us that the Opposition is not going to let us move legislation through this House in an expeditious manner, we are going to have difficulty getting regulatory processes in place.

We are required by The Environment Act to take the regulations out for discussion; make sure we involve the people who will actually be affected as a result of this legislation and the regulations attached to it; get them involved in helping us establish the regulations and the phasing in of those regulations, so we do not inadvertently create a situation where we put someone out of business overnight without giving them the opportunity to acquire the correct equipment. If the equipment is not available then we as a Government might be able to do something to support—making sure that equipment is available in the province.

All of these things take time, and if we do not get on with the job of getting the legislation through this

Chamber we will simply have delayed, well into another year, before ozone legislation and accompanying regulations are in place.

I, therefore, advise you and anyone else who may wish to look at the proceedings of this House, that it is my opinion we should get on with the legislation the Government has presented in this case, that we are able to deal with that legislation and effectively do something about releasing of materials into the atmosphere that have a detrimental effect on the ozone.

Mr. Speaker: As previously agreed, this matter will remain standing in the name of the Honourable Minister of Justice (Mr. McCrae).

BILL NO. 20—THE MUNICIPAL ASSESSMENT AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Member for Sturgeon Creek (Mrs. Yeo), Bill No. 20, The Municipal Assessment Amendment Act; Loi modifiant la Loi sur l'évaluation municipale, standing in the name of the Honourable Minister of Environment (Mr. Cummings), who has 10 minutes remaining.

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I had an opportunity to put a few comments on the record the last time this Bill came forward. I would like to reinforce my concern about getting this Bill through the Legislature as well.

We indicated during the discussion leading up to my comments the last time this Bill came forward that we felt very strongly about the importance of bringing this Bill forward. The Members of the Opposition have expressed varying degrees of support for this, and I would expect they would want the opportunity to put their thoughts on the record and be able to express their concerns about the Government Bill in relationship to the revision of municipal assessment.

This Bill No. 20, as I indicated before, is not the way that assessments should be modified. It takes an approach that very often will lead to further complication and unfairness within the system. That is why the Government brought forward a complete and comprehensive set of changes for assessment reform in this province.

* (1730)

I have to express some surprise, and some concern was felt by myself when this Bill was put on the Order Paper, Bill No. 20, because I had the occasion to be in Thompson at a MAUM meeting about three days before this was put on the Order Paper. At that MAUM meeting there was a great deal of concern expressed about why was the Government not getting on with dealing with assessment reform, and particularly 2.(b)(2) which is one part of the Act on which considerable discussion has raged for a number of years around the Town of Thompson.

The Minister of Rural Development (Mr. Penner) had indicated that he was prepared to deal with it as part of the assessment reform package, but we could not

achieve agreement on the introduction of the package. The councillors expressed a great deal of concern at that time and indicated to us they were prepared to push forward with any contacts they had within the Legislature to seek all-Party understanding of the need for assessment reform, and how the Government should get on and bring forward their assessment package. Unfortunately, this particular Bill was brought forward about three days later, and I have to indicate that I felt some disappointment this was the route that was chosen to deal with the very serious question of assessment reform in this province.

Having spent a number of years as a trustee, and seeing the inequities that have built up over the years and the manner in which we assess for real property in this province, I have to indicate to the House that I had a great deal of concern that there are still people in this Legislature who felt that piecemeal adjustment to assessment is the correct way to go. Therefore, I have again a desire to appeal to the Members of the Opposition not to take the time of the House debating on a fragmented approach to assessment reform in this province, an approach that does not in any way deal with the full problem of fairness in assessment.

It does not deal with the need to recognize how we raise funds for education, how we raise funds for municipal responsibilities, and how we separate those two needs; how we separate them in relationship to whether they should be applied against all types of real property, or whether they should be more significantly segregated in terms of what the source of funding is intended to go to and how that money is raised.

Mr. Speaker, it seems to me pretty obvious that this Bill is not needed any longer, within this Legislature, to be sitting here, when we know that we have a Bill that fully deals with the inequities within our assessment in this province. It is therefore my contention, again, that we need to spend a lot more time debating the Bill brought forward by the Minister of Rural Development (Mr. Penner) which takes a broad-brush approach, rather than dealing with a portion in this manner, and without here really dealing with the issues that were intended. This simply is a political response to a position that the Member for Springfield (Mr. Roch) found himself in, in relationship to assessment reform.

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

Obviously, as I stand here consuming time that could be spent much more fairly debating other Private Members' Bills even, rather than debating something which can be very fully dealt with under the complete assessment reform package—it is a knee-jerk reaction, Mr. Deputy Speaker. It is not adequate in any way, and I therefore would urge that this Bill be withdrawn for further debate.

Mr. Herold Driedger (Niakwa): Mr. Deputy Speaker, I feel compelled that I must rise to speak on this Bill after listening to the Minister of Environment (Mr. Cummings) make some statements that I feel are not necessarily inaccurate, but definitely put in such a term as to be taken out of context. As we very well know,

when something is taken out of context, it does not necessarily mean, whether—you can actually make it represent almost anything you want. You can make something black look white and something white look black.

Here we have an indication, where the Minister stands up and says that the Bill No. 20, the motion on The Municipal Assessment Amendment Act, which actually is simply a very small change to how a college is registered or how it is named or how it is treated, and he then berates us, saying this is the wrong way to approach assessment reform. Well, I have to concur, Mr. Deputy Speaker, it is the wrong way to do it, but what do you do when you are in Opposition?

You do not have the resources to come forward with a basic omnibus Municipal Amendment Act like we have here in Bill No. 79. This has been brought forward and was brought forward considerably later down in the Order Paper than this one. I understand this is Bill No. 20. We are looking at Bill No. 79 as the one that says assessment reform.

Obviously, had we had Bill No. 79 on the Order Paper just a little bit sooner, we would have seen that Bill No. 20 probably would have been reconsidered. Now, I ask you, and I ask you to consider this very carefully. The Minister says this is the wrong way, this is the piecemeal approach. Well, is this Minister then telling us that his colleague, the Minister of Transportation (Mr. Albert Driedger), who brought a similar Bill like this and actually shepherded it through a Session as a Bill, not as a Private Members' resolution, was doing something incorrect, that he was doing something piecemeal? Obviously it was correct then, for the time, and Bill No. 20 is correct, or was correct, for the time of when it was introduced.-(interjection)- What about the Minister of Health (Mr. Orchard)? I mean, it is a good question. I do not think there is an answer for it.

An Honourable Member: Hear, hear! That is a good comment.

Mr. Herold Driedger: At any rate, Mr. Deputy Speaker, I felt that it is necessary to correct the impression that this is a piecemeal approach to dealing with municipal assessment reform. I believe that we will be able to put our other thoughts onto the record with more clarity when Bill No. 79 is finally called, and we will find that many of the comments that would have been made to Bill No. 20, as they apply to that aspect of Bill No. 79, will be made. It is not necessary to belabour that point -(Interjection)-

I hear some comments being made by the Minister of Health (Mr. Orchard), stating that when one speaks and one gesticulates that we are actually pointing fingers, we are actually making statements with fingers. Well, perhaps that is true, but I think it is the person who is at the receiving end, who interprets what is happening, who actually needs to be examined. I mean, I am just simply here gesticulating to make a point, Mr. Deputy Speaker.

I ask you, if you are making a point and you are gesticulating as one will, and a comment gets directed

and the Minister takes it personally, what are we to assume? Perhaps there is a reflection of undue sensitivity or undue guilt here. Perhaps he is stating things that I have obviously—he is reacting to things that are not intended. I ask you, Mr. Deputy Speaker—I really think perhaps we should admonish the Minister of Health to perhaps be a little bit reflective and consider the statements that are being made, and to consider them in the context that they are made and not try to take them out of context.

An Honourable Member: Is that a good or a bad thing you just said?

* (1740)

Mr. Herold Driedger: The Minister of Health (Mr. Orchard) asks us, was it a good or a bad thing that he just said? Well, I will tell you what, Mr. Deputy Speaker, I leave it to the Minister of Health to read in Hansard and let him reflect on it at leisure, because really the point was the finger pointed—all four of them incidentally. I know that once previously, in the House, I mentioned with respect to a comment that I made with respect to the NIMBY Syndrome with The Environment Act, where people point fingers, you normally have one finger pointed and three pointing back at you. Well, in this case, all four pointed to the Minister of Health, let the record show that so that there was no—he interpreted it correctly, I suppose. At any rate, where was I?

I believe I was making a comment with respect to Bill No. 20. I think that the comments that the Minister of Environment (Mr. Cummings) was stating, taking things out of context, stating that this was a piecemeal approach, I will have you notice that you do not need to speak on this Bill if you do not want to. You simply go down the line.

Mr. Deputy Speaker: The Honourable Minister of Environment, on a point of order.

Mr. Cummings: He has accused me of taking information out of context. I ask, Mr. Deputy Speaker, I seek your advice, is it out of context to be annoyed that, after negotiations going on for a number of months on assessment reform, we then find that the Members choose to approach it in a piecemeal manner?

Mr. Reg Alcock (Osborne): May I speak on the point of order?

Mr. Deputy Speaker: On the same point of order? The Honourable Member for Osborne.

Mr. Alcock: A Member of this House with the experience of the Minister responsible for the Environment (Mr. Cummings) should know that it is clearly improper to ask a question of the Speaker.

Mr. Deputy Speaker: I thank all Honourable Members for their advice. The dispute of the facts is not a point of order.

The Honourable Member for Niakwa (Mr. Herold Driedger) has the floor.

Mr. Herold Driedger: The point I was simply arriving at was that, out of context or no, whether the Minister feels frustrated or not, I think the numbers speak for themselves. The Bills we have to speak to, in order as they come on the paper—again, 20 comes considerably before 79. I believe that had 79 been tabled appropriately, perhaps the Member for Sturgeon Creek (Mrs. Yeo) would not have then felt compelled to approach this in a manner and in a way in which his colleague, the Minister of Transportation (Mr. Albert Driedger) had dealt with a similar problem just a short time before. Thank you, Mr. Deputy Speaker.

Hon. Clayton Manness (Minister of Finance): Mr. Deputy Speaker, I am not going to spend very long on this Bill, but I think that it is important that two comments be put on the record—firstly, not so much with respect to the substance, but to the path, the Government has followed in bringing forward this legislation. I am talking about legislation 79—covered within Bill No. 79. This Government inherited a process that was well along, inherited it from a former Government, this process initiated originally by the Lyon Government some years previous. It was a process which was fully understood by representatives, municipal representatives throughout the province. Everybody has known from Day One how this process was ultimately going to come to be.

I think it is a little unfair that certain Members of the Opposition would stand and berate this Government and the Minister for not, in a timely fashion, bringing forward Bill No. 79, knowing fully well, as they do, that he has attempted to dialogue with them with respect to the substance contained within Bill No. 79, recognizing, first of all, that this is a minority House, recognizing that if assessment reform is to be meaningful in any fashion it has to have the support of the majority of people in this House.

The Member, the Minister of Rural Development (Mr. Penner) has brought forward this legislation in a most timely basis after full and complete discussion with Members opposite, indeed with the UMM, and to that end I think he should be commended and not criticized by any Members of the House.

Mr. Deputy Speaker: The Honourable Member for St. Norbert, on a point of order.

Mr. John Angus (St. Norbert): I wonder if I could have it clarified, if perhaps there is room for a question to be asked of the Minister of Finance (Mr. Manness), on how he relates Bill No. 79 to Bill No. 18. One is Municipal Assessment and one is Ozone.

An Honourable Member: No, it is 20.

Mr. Angus: I am sorry, you said 18; okay this is 20, fine, that is fine.

An Honourable Member: Are you still selling that granola?

Mr. Deputy Speaker: We are in fact debating Bill No. 20.

Mr. Cummings: On a point of order.

Mr. Deputy Speaker: The Honourable Minister of Environment, on a point of order.

Mr. Cummings: On a point of order and the relativity between 79 and the Bill that is being debated here.

We have said that 79 is necessary and that this Bill is irrelevant.

Mr. Deputy Speaker: There is no point of order. Is it the will of the House to call it six o'clock? (Agreed) Agreed and so ordered.

The hour being six o'clock, this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).