



First Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

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**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

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39 Elizabeth II

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

**Members, Constituencies and Political Affiliation**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, December 4, 1990

The House met at 1:30 p.m.

### PRAYERS

#### ROUTINE PROCEEDINGS

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mrs. Louise Dacquay (Chairman of Committees):** Mr. Speaker, the Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again.

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

Motion agreed to.

#### TABLING OF REPORTS

**Hon. James Downey (Minister responsible for A.E. McKenzie Co. Ltd.):** Mr. Speaker, I want to table an announcement made by McKenzie Seeds this morning.

**Hon. Darren Praznik (Minister of Labour):** Mr. Speaker, it is my pleasure today to table the Annual Report for 1989-90 of the Department of Labour.

#### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to Oral Questions: j'aimerais diriger l'attention des députés à la tribune du président, ou nous avons parmi nous aujourd'hui Son Excellence M. Claude Berlioz, le Consul Général de la France, et M. Fred Granger, le Consul honoraire de la France, à Winnipeg.

Au nom de tous les députés, je tiens à vous souhaiter la bienvenue ici aujourd'hui.

#### (Translation)

Prior to Oral Questions, I would like to draw the attention of all Honourable Members to the Speaker's Gallery, where we have with us today His Excellency Mr. Claude Berlioz, the Consul General of France, and Mr. Fred Granger, the Honorary Consul of France to Winnipeg.

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

#### (English)

Also with us this afternoon we have from the St. George School twenty-five Grade 9 students. They are under the direction of Mr. Clint Harvey. This school is located in the constituency of the Honourable Member for St. Vital (Mrs. Render).

Also this afternoon from the Linden Meadows School we have twenty-five Grade 5 students. They are under the direction of Cathy Larsen-Moore. This school is located in the constituency of the Honourable First Minister (Mr. Filmon).

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

#### ORAL QUESTION PERIOD

##### Brian Ransom Manitoba Hydro Resignation

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, my question is for the First Minister.

This morning we learned that the chairperson of Manitoba Hydro has accepted a senior position with a consulting firm that continues to have Manitoba Hydro as a major customer and potentially its major customer over the coming months.

I am wondering if the First Minister can indicate whether he, the Minister of Energy and Mines (Mr. Neufeld), or any of his staff consulted with or was advised of Mr. Ransom's decision to accept a position with I.D. engineering?

**Hon. Gary Filmon (Premier):** Yes, Mr. Speaker, I did have discussions with Mr. Ransom over a period of two or three weeks leading up to his ultimate decision. He indicated to me at that point that the offer that he had been made and was considering—and he was well aware of the conflict-of-interest Act, as were his potential employers. He was well aware of his obligations as set forth in the conflict-of-interest Act that was passed unanimously by this Legislature as proposed by the former NDP administration, and both he and the potential employer are prepared to fully abide by the provisions of our conflict-of-interest Act, which in my judgment is, if

not the most restrictive, one of the most restrictive in the country, and I am satisfied that all aspects of that Act will be adhered to.

\* (1335)

### I.D. Systems Ltd. Manitoba Hydro Contracts

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, the First Minister's assurances and good wishes, I guess, are not enough to satisfy many Manitobans who will want to know whether the First Minister or the Minister responsible for Manitoba Hydro is prepared to ensure that I.D. Systems does not have any further contracts with Manitoba Hydro and that the existing contract that deals with the environmental assessment that is yet to be done that is held by I.D. Systems is not completed by that group, given Mr. Ransom's statements with respect to the involvement of the Legislature in terms of environmental concerns and conservation.

**Hon. Gary Filmon (Premier):** Mr. Speaker, Mr. Ransom has the right to go and work for the firm under our conflict-of-interest guidelines. I might tell you as well that the contract that I.D. Systems has with Manitoba Hydro was awarded to I.D. Systems prior to Mr. Ransom's assumption of the chairmanship of Manitoba Hydro and that Mr. Ransom has agreed that he will have absolutely no responsibilities and no part to play in the carrying out of any work by I.D. Systems that is ongoing as a result of the contract that was awarded by Manitoba Hydro prior to his assumption of the chairmanship and prior to his involvement with I.D. Systems.

**Mr. Storie:** Mr. Speaker, the First Minister, when he introduced Bill 45 back on Wednesday, December 7, 1988, talked about not only actual conflict, which remains to be seen whether it exists in this particular contract, but also talked about the perception of conflict.

The former chairman of Manitoba Hydro is now playing both sides of the fence. We are dealing with a project that is worth some \$5.5 billion. We are dealing with our environment.

Notwithstanding Mr. Ransom's personal interest, will the First Minister now undertake in no uncertain terms to make sure that I.D. engineering does not continue with the environmental assessment for Manitoba Hydro, that in fact it becomes a truly independent consulting firm that does that work?

**Mr. Filmon:** Mr. Speaker, all of this is to be the subject of a very major, major public hearing process, of a process that is set down in legislation; a process I might say for the review of Conawapa that will be the most extensive, open and public process that has ever been done in this province; a process I would say that was totally ignored and set aside when the former NDP Government provided for Limestone's construction and development with no public hearing process—no public hearing process.

They waived the public hearing, and they waived the environmental assessment and review process, Mr. Speaker. That will not be done by this Government. This Government will have the most complete, thorough—(interjection)—. If the Members want to make allegations, there is an Act in place that governs, and if they want to make an allegation as to a conflict that is breached by this Act, I invite the Member to do that. Unfortunately, the Member wants to just be here in a gutless way and make accusations about something that cannot be refuted. Innuendo, smear, all of that—

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

### Point of Order

**Mr. Steve Ashton (Opposition House Leader):** Mr. Speaker, the First Minister (Mr. Filmon) is clearly breaching our rules in two separate regards: one is imputing motive and the second is the use of the term "gutless." I would like to ask you to call him to order in both those breaches of our rules and to stick to answering the questions, which he should be doing instead of getting into that type of thing, that kind of exchange with the Member for Flin Flon (Mr. Storie).

**Mr. Speaker:** Order, please. As I have reminded Honourable Members in the past, this is a forum in which strong political views are shown on both sides of the House. I would ask Honourable Members to pick and choose your words very carefully.

### Established Programs Financing Government Position

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, this Minister of Finance is leading Manitoba down the perilous path of disentanglement. By being associated with the position of the western Finance Ministers wherein it is proposed that the federal Government withdraw cash transfers to the

province respecting EPF and CAP, this Minister is putting our entire medicare system at risk. It is proposed that the equalization payments could provide the province with the revenue for health services.

Will this Minister of Finance clearly state his position to this House on this matter? Does he agree that the federal Government should withdraw cash transfers to the province through EPF and CAP?

\* (1340)

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, the question of that is easy. The answer to that is no.

Mr. Speaker, now that I have the floor, I would like to indicate to Members opposite, I have had finally an opportunity to read a report for the Canadian Health Coalition. Members opposite brought this to the House about two weeks ago.

On page 3 the question is asked: Are expenditures growing at a rate which appears unsustainable, even if they are not out of line with others? The answer given by the author of this document who may be Tim Sale—I do not know—is, and I quote, the reason may be qualified, yes. The reason is not inherently the health expenditures themselves but rather the policy of Governments to incur deficits and amass debt weakening the overall fiscal capacity of Government and driving out the capacity to use the available and necessary resources on health care. Exactly what we have been saying in this House for two weeks.

### Health Care System Government Position

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, the people of Manitoba are listening, the people of Manitoba want to know, will this Minister of Finance dissociate himself entirely from the position paper of the western Ministers of Finance? Will he categorically insist that the federal Government continue to directly fund medicare and ensure national standards?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, again the answer to that question is easy. The answer is yes. The Member talks about people watching the development of this issue. Then hopefully people will also understand that what we have been saying on this side of Government is in keeping with the same document the Members have been using as some reason to attack this

Government for underfunding health care. The very underpinnings of this document and the threat to health care in the future is, as is printed out, debt and Government amassed debt over several years.

**Mr. Leonard Evans:** I want the Minister to dissociate himself from this document and his colleagues. That is what I am talking about.

### National Standards

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, the Minister has suggested that we could rely on equalization payments to cover health care costs. I want to ask the Minister this: How can the Minister be satisfied that equalization payments can provide the basis for control by Ottawa when this section of the Constitution does not specifically speak of the question of shared-cost programs or national standards for specific programs? If Ottawa no longer funds specific programs, what legislative or financial levers would the federal Government have to maintain national standards?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I will repeat the answer given by myself and indeed by the Premier (Mr. Filmon) over several occasions. This Government would love to see maintained the system of Established Programs Financing that has been in place in this country for a long period of time.

The reality is, Mr. Speaker, this year, as can be seen in the Estimates, under that program this Government is receiving roughly \$450 million, 74 percent of which is allocated to health care funding, the rest of it to post-secondary education.

Mr. Speaker, the bill in supplying health in this province is \$1.6 billion to \$1.7 billion. Now the Members can do one or two things. They can say, continue to go after more, which we will do, and ignore the gulf as between \$1.7 billion and \$400 million, and say that is your problem, find the money from somewhere, or they can help us try to identify the problem, and they can try and find the solutions that are going to deal with it.

Mr. Speaker, those are the two alternatives. So far the Members opposite have shown me that they are interested only in making politics out of the issue.

\* (1345)

### Conawapa Dam Project Access Road Tenders

**Mr. James Carr (Crescentwood):** We have just heard the Premier (Mr. Filmon) speak of an extensive and thorough review of the Conawapa project, an environmental review. While the Public Utilities Board made its recommendation known last Friday, there still is a series of reviews forthcoming.

I would like to ask the Minister responsible for Manitoba Hydro (Mr. Neufeld), if he can assure the House that no tenders will be let for the construction of a road or transmission facility into the site until all necessary reviews are forthcoming.

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, lest there be some misunderstanding about whether or not environmental approvals have been provided for the access roads to Conawapa, those environmental approvals are in place.

### Conawapa Dam Project Access Road Tenders

**Mr. James Carr (Crescentwood):** Mr. Speaker, I am not asking about the environmental approvals of the access road. I am asking about the environmental approvals for the entire project. We do not want another \$600 million fiasco here, Mr. Speaker.

My question is to the Minister of Energy and Mines. Have tenders been let for the construction of the road and the transmission facilities into the Conawapa site, yes or no?

**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Speaker, the tenders are out, but they have not been signed. They have not been let.

### Hydro Spending

**Mr. James Carr (Crescentwood):** I have a supplementary question to the Minister responsible for Manitoba Hydro. Does the Minister intend that Manitoba Hydro will spend money on the transmission line into the site and on the road into the site before environmental approvals are in place, yes or no?

**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Speaker, there is a certain amount of work that has to be done at the dam site before construction can commence.

Manitoba Hydro will indeed meet all the requirements of the Clean Environment

Commission. They will meet all the requirements of the federal Act as it stands now. They will meet all the requirements of the provincial Act as it stands now.

They expect, as good corporate citizens, to meet the requirements of the Act. Yes, indeed, there will be some work done before the environmental assessment is complete.

### Aboriginal Employment Civil Service Positions

**Mr. Oscar Lathlin (The Pas):** This fall the Assembly of Manitoba Chiefs documented some statistical information in regard to the level of employment of aboriginal people in the federal Crown corporations, specifically Air Canada, Canadian Airlines and CBC.

This week they released another report. In this case they were documenting the levels of employment in the federal Government departments.

My question is to the Minister responsible for the Manitoba Civil Service Commission. Can he tell this House what the level of employment of aboriginal people is in Government departments today?

**Hon. Darren Praznik (Minister of Labour):** Mr. Speaker, I appreciate that question from the Member for The Pas. It is certainly an issue that all Members of this House share with him.

Upon assuming responsibilities as Minister responsible for the Civil Service Commission, I had an opportunity to review the numbers that we have within our department. Although I do not have those exact numbers with me here today, I certainly would undertake at this time to get them for the Member and provide him with that information.

### Government Initiatives

**Mr. Oscar Lathlin (The Pas):** Mr. Speaker, aboriginal people in Manitoba will no longer accept the low levels of employment in Government agencies, Crown corporations and so on.

Can the Minister then tell this House what his intentions are to improve those low levels of employment of aboriginal people in Government departments throughout the province?

**Hon. Darren Praznik (Minister of Labour):** Mr. Speaker, although I do not have those numbers in front of me at this time, my recollection of them is

that there is some variance from department to department. Some departments have a very large percentage of Native employees, others do not. That is something we certainly want to address.

I will tell him today that one difficulty that is obviously in place is having vacancies in which to hire people. That is something that we are certainly looking at in how we address that problem, another is recruitment. We are taking some steps in the Civil Service now. As a new Minister, I am reviewing those and having discussions within the Civil Service Commission as to how we can recruit and accommodate people of aboriginal ancestry in our public service.

\* (1350)

### Decentralization

**Mr. Oscar Lathlin (The Pas):** My final supplementary, Mr. Speaker, is to the same Minister.

Under this Government's decentralization plan and privatization, will more aboriginal people—given the low level of aboriginal employment there is now in Government departments, will privatization and decentralization affect aboriginal people in terms of employment in Government departments?

**Hon. Darren Praznik (Minister of Labour):** Mr. Speaker, again to the Member, he makes the assumption that those numbers are low. They vary from department to department. We still have some way to go.

I would say that this Government has made improvements or seen improvements in those numbers over the last number of years. This is an issue I would say to him that goes beyond the partisan politics of this Chamber, that the effort to employ more aboriginal people in the public service has been an ongoing issue over a number of years. To put a political label for that is certainly an unfair assumption, Mr. Speaker.

As I indicated, I will certainly get back to him with those numbers and be delighted to have our staff provide him with a briefing if he is so interested.

### Acting Minister of Culture Resignation Request

**Ms. Marianne Cerilli (Radisson):** Mr. Speaker, my question is for the Premier.

We have been out in ethnocultural communities. Without exception they have expressed disappointment and anger at comments made by the Acting Minister for multiculturalism.

There was a recent incident in Brandon which again made us aware of the need for Government to show leadership in this area. On November 8, this Minister said that if they showed 300 names, then we will talk.

In view of the fact that they have now collected over 300—346—names, as the Minister requested, will his Premier now sit down and talk with these groups about the concerns they have raised in their letter and show some leadership and ask for the resignation of the Acting Minister for multiculturalism?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I would hope that the Members opposite are planning to finish this Session fairly soon. They are running out of material. They are recycling things for the third and fourth and fifth and sixth time. Perhaps in particular the New Democratic Party might waive Question Period over to the Liberals. They may have more ideas for questions, Mr. Speaker.

The fact of the matter is, Mr. Speaker, I have always been willing to meet with representatives of the Manitoba Intercultural Council, various groups in the multicultural community. I will continue to do that throughout each and every year that I am in office. I will have an open door to them, and I will be very interested in their concerns and their issues.

**Ms. Cerilli:** I take that he will then meet with these groups.

Will the Minister now also ask the Member to resign as the Acting Minister for multiculturalism?

**Mr. Filmon:** Mr. Speaker, I have answered that question many times before, and I invite the Member to read Hansard for my response.

### Multicultural Concerns Government Initiatives

**Ms. Marianne Cerilli (Radisson):** Mr. Speaker, can the Premier explain to this House what he is willing to do to show some respect to these groups and deal with the legitimate concerns that they are raising?

**Hon. Gary Filmon (Premier):** Mr. Speaker, to groups who got nothing but lip service when the NDP were in Government, we developed the first

ever multicultural policy, which we published and printed.

\* (1355)

### **Concordia Hospital Anesthetist Shortage**

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

Manitobans are facing another crisis due to the shortage of specialists in the field of anesthesia.

Now we have learned that as many as three specialists will retire as of January 1. One is leaving this province. Two are leaving for educational leave. These are leaving from a group which is serving two major hospitals, the Misericordia and Concordia Hospitals. One of the hospitals potentially will lose all the surgical procedures as of January 1. That is the Concordia Hospital.

Can the Minister of Health tell us, because we did warn him on June 8, November 7, December 11 and December 12 of last year, what plans he had put in place to ensure that the surgical procedures at Concordia Hospital will be done as of January 1, 1991?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, my honourable friend has identified a specialist category in medicine that unfortunately we do not have an abundant supply of. However, I can tell my honourable friend that in 1989, for instance, there were 72 anesthesiologists registered with the College of Physicians and Surgeons, and in 1990 that increased to 83.

Now despite having more of these individuals available, we do have times when they are not in bounteous enough supply that they cause potential stress—and I say potential stress—in the system. That occurred at Seven Oaks Hospital approximately five to six months ago. We were able to work through some very substantive negotiations and arrangements, an arrangement with an anesthesiology group to continue to provide the level of surgical activity.

Mr. Speaker, my honourable friend indicates ongoing problems. We are aware of them, and we are supporting recruitment efforts and management planning to assure that the kind of circumstances he alluded to do not happen.

### **Medical Manpower Committee Recommendations - Anesthetists**

**Mr. Gulzar Cheema (The Maples):** Mr. Speaker, we are receiving reports that anesthetists are leaving this province in spite of what the Minister has said, and Concordia Hospital is just a starting point.

Can the Minister tell us what recommendation the Standing Committee on Medical Manpower has made to address this serious shortage?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, we have done a couple of things. For instance, there is a short-term course available for physicians to access, to upgrade to provide anesthetic services. That is primarily the type of specialist service that is available throughout rural Manitoba, for instance.

Mr. Speaker, more fundamental to this situation was, you might recall, a recent contract proposal with the MMA wherein the specialist discipline of anesthesiology was one that we identified as needing some additional assistance in recruitment efforts through the fee schedule.

Mr. Speaker, we are hopeful that our review on fee schedule reform with the MMA as part of a recently concluded agreement will help to provide a solution in part to our recruitment efforts. In the meantime, we do have available, as has been the case, to physicians wishing to take that upgrade, a six-month upgrade in terms of their ability to operate in the province as anesthetic specialists.

### **Elective Surgery**

**Mr. Gulzar Cheema (The Maples):** Mr. Speaker, under the present circumstances, this year there will be 20,000 less elective surgeries, and that will continue for the next four years if we do not address the issue.

Can the Minister assure this House as to what steps he will take now and ask the Standing Committee on Medical Manpower to have solid recommendations so that we do not have a problem in future?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I do not want to accept my honourable friend's figures of 20,000 because those were the figures he used about this time last year. -(interjection)- I am sorry if my honourable friend does not want to listen to the answer. That is the figure my honourable friend put on the record last

year about this time forewarning us of this year, and that forewarning did not materialize.

Mr. Speaker, we recognize that in the Province of Manitoba and nationally we do have difficulty with anesthetic specialist recruitment, not only in the Province of Manitoba. I have indicated to my honourable friend we are trying to address that issue directly through fee schedule reform in co-operation with the MMA, because they chose not to accept the route that we had proposed in the bargaining process of enabling us to focus on anesthesiology as a specialist, do extra consideration in terms of not only compensation but recruitment efforts.

That, plus ongoing training incentives, et cetera, we hope will forestall a problem until long-term solutions are created between Government, MMA, College of Physicians and Surgeons and the university, Mr. Speaker.

\* (1400)

### Minimum Wage Increase

**Mr. Steve Ashton (Thompson):** Mr. Speaker, we have not had an increase in the minimum wage in this province since September of 1987. In that time every other province has increased the minimum wage.

Last week we revealed the employer recommendations that would have led to a two-tiered wage system and eventually even to decreases in the minimum wage. I have also obtained copies of the report issued by both the chairperson and the employees' groups, which both suggest an increase in the minimum wage, in the case of employees, an increase to \$5.30 as of January 1.

My question is to the Premier. Will he now commit himself to an increase in the minimum wage of at least \$5.30 as of January 1, 1991?

**Hon. Darren Praznik (Minister of Labour):** Mr. Speaker, I found it interesting in the preamble of the question from the Member for Thompson when he indicated the amounts in the reports, but he failed to indicate the recommendation of the chair which creates a majority report on that board for a \$5 minimum wage.

Mr. Speaker, as I have indicated on prior occasions, we have received the report. We are in the process of doing our own work within

Government, and we hope to have an announcement shortly.

### Minimum Wage Two-Tier System

**Mr. Steve Ashton (Thompson):** Mr. Speaker, if this Government is concerned about the majority recommendations, the chair and the employees reject a two-tier minimum wage system.

Will the First Minister or the Labour Minister now be ready to say that they will clearly not have a two-tier system because, as is indicated in both the employee recommendations and the chair, himself, they have said they do not endorse a two-tier system?

**Hon. Gary Filmon (Premier):** Mr. Speaker, the Member should know—although he was not in Cabinet, he was in Government—that those are matters that have to be decided by the Cabinet on recommendation from the Minister and that those matters in due course will be dealt with. That report has not yet been presented with recommendations to the Cabinet.

**Mr. Ashton:** Mr. Speaker, I ask once again, perhaps more directly, to the First Minister—the Minister of Labour just said that he is concerned about the majority recommendations. The majority of the Minimum Wage Board does not support a two-tier system. That is indicated in both the recommendation of the chairperson and of the employee representatives.

Will the First Minister now, following the logic of his Labour Minister, reject a two-tier system in terms of the minimum wage?

**Mr. Filmon:** Mr. Speaker, that is exactly the same question as I just answered.

### McKenzie Seeds Announcement

**Mr. Bob Rose (Turtle Mountain):** Mr. Speaker, my question is for the Minister responsible for McKenzie Seeds.

During a study of the financial report and the in-depth analysis that was discussed in Estimates, it became very apparent that there has been a dramatic turnaround in the affairs at McKenzie Seeds in the last two and a half years or so. It was interesting to note that there was a report or a news release tabled earlier today. I would like to ask the

Minister if he could comment on the contents of that news release?

**Hon. James Downey (Minister responsible for A.E. McKenzie Co. Ltd.):** Mr. Speaker, I thank the Member of the Government side of the House for asking an important question, one which we would have thought would have come from the Opposition, if they were interested at all.

Mr. Speaker, I am very pleased to tell the Member in this House that McKenzie's have announced that they have purchased the McConnell mail order business of Burwell, Ontario, which will add some 15 to 20 jobs to the Canadian economy.

**Mr. Rose:** Mr. Speaker, I am sorry, I did not catch that last bit. How many jobs for Brandon and southwestern Manitoba?

**Mr. Speaker:** Order, please. The question has been answered.

### GATT Negotiations Contingency Plans

**Mr. John Plohman (Dauphin):** Yes, I caught the answer, Mr. Speaker.

The GATT talks in Brussels appear doomed to failure with no resolution on agriculture. The Premier went to Geneva in September, and he proclaimed like a great prophet at that time that certain disaster awaited agriculture, awaited our Manitoba farmers, if GATT was not satisfactorily resolved insofar as agriculture was concerned.

Now that that prophesied disaster is at hand, I ask the Premier what contingency plans he has put in place to deal with that issue now that the GATT talks are certain to be failing, as has been reported.

**Hon. Gary Filmon (Premier):** Mr. Speaker, they have had one day of a week's talks. Quite evidently the outlook is not very promising, and that is what I said when I came back from Geneva.

Having said that, this has been something that has been recognized by this Government for quite some time, that these farmers could not forever be at the mercy of world market shifts or weather, and rather than the ad hoc approach of the former New Democratic administration, what we needed was a long-term approach of a safety net.

For two years our Minister of Agriculture (Mr. Findlay) has been working with other Ministers of Agriculture to provide for long-term support so that both price and indeed production are integrated into

the mix of a long-term safety net resolution. That is the product of two years of extensive discussions. It is now on the table in its final form to be negotiated as to financial support. That is of course, regardless of the outcome of the GATT talks, what has to be there in the big picture for the support of western Canadian farmers.

### Agricultural Assistance Deficiency Payments

**Mr. John Plohman (Dauphin):** Mr. Speaker, the Premier is talking about the safety net program, but there are indications clearly that the federal Government will not make any announcement or any commitment to immediate deficiency payment, which is needed for next spring for the farmers to get their crops in the ground, because he is holding them up—this has been reported by the Minister last week—until he gets a commitment to the one-third cost sharing by this province.

He is holding them up for blackmail, the federal Government is, and I ask this Premier whether he now will take steps to place pressure on the Prime Minister? Will he call the Prime Minister on behalf of the farmers of Manitoba and indicate that he needs a commitment for a deficiency payment now?

**Hon. Gary Filmon (Premier):** Mr. Speaker, my how the people of the NDP change their position when they change sides of the House. I can remember full well about three years ago, over sugar beets, where that administration refused to sign a tripartite stabilization plan on sugar beets, brought the sugar beet producers to their knees, had them in a position where they could not even put in a crop that year because they were holding out and trying to bargain, lever and blackmail the federal Government into putting more money on the table.

I reject totally his allegations, because he knows that what is taking place is part of the normal bargaining process. The only way you can avoid it is to put all your money on the table, and we are not prepared to do that, Mr. Speaker.

### Government Action

**Mr. John Plohman (Dauphin):** Mr. Speaker, we are getting no leadership from this Premier, no answers, no initiative on his behalf. I ask the Premier: What do our farmers in Manitoba have to do? Do they have to riot in the streets of the dying towns of this province before they get action from this Premier?

**Hon. Gary Filmon (Premier):** No, Mr. Speaker. The last two years, and the support that they have received in terms of programs and injections into the farm economy, which is greater than was ever provided under any New Democratic administration, has told farmers that they can rely on this Government.

### Acting Minister of Culture Apology Request

**Mr. Kevin Lamoureux (Inkster):** My question is for the Acting Minister of Culture and Heritage. He said himself that he would not listen to a letter that was only submitted for 40 questions, and the Minister has an opportunity, if she wants she can answer it, but I am suggesting that the question be put forward to the Acting Minister.

### Point of Order

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I do not even know what the question is, but this is highly out of order. The Minister responsible is sitting in her place. Why would anybody direct a question to the Acting Minister when the Minister is here?

**Mr. Speaker:** Order, please; order, please. On the point of order raised, questions are posed to the Government.

The Honourable Member for Inkster, would kindly put his question, please.

**Mr. Lamoureux:** Mr. Speaker, on a point of order.

**Mr. Speaker:** Order, please. There is no point of order.

\* \* \*

**Mr. Lamoureux:** Mr. Speaker, the Opposition asked a question. The Government can choose whomever they would like to answer the question. My question, as I would like to see it, is the Acting Minister to answer the question. He said he would not look at a letter signed by only 40 people. My question is to the Minister. He mentioned that if we received 300 people he would then talk. My question to the Acting Minister is: Will he now stand in his place and apologize or resign for his comments that he made?

**Hon. Harold Neufeld (Acting Minister of Culture, Heritage and Recreation):** Mr. Speaker, I said that

at a time when I had over 300 and they had 40. I have now between 600 and 1,000.

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

**Mr. Lamoureux:** The Acting Minister never ceases to amaze me, Mr. Speaker.

\* (1410)

### Multicultural Directorate Staffing Procedure

**Mr. Kevin Lamoureux (Inkster):** My question is to the Minister of Culture and Heritage because I am seeing a dead end when I am looking at that Minister.

Mr. Speaker, the Minister of Culture and Heritage has said that she agreed with the Liberal Party in terms of the appointment she made six weeks ago as a policy analyst to the Multicultural Directorate. That particular position will be coming up once again at the end of December. I am asking the Minister to commit herself not to reappoint but rather to open the position of policy analyst up for competition—not to reappoint at that time.

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation):** Mr. Speaker, obviously the Member for Inkster does not understand the process of recruitment within the provincial Government, but in fact if we advertised that position today, and we advertised it in each of the ethnic papers throughout the Province of Manitoba, it would take several months to fill that position by recruitment. The term position will have to be reappointed at the end of December unless we leave it vacant.

**Mr. Lamoureux:** Mr. Speaker, the Minister of Culture and Heritage has a choice. She can either reappoint at the end of December or she can open up the position for competition. My question to the Minister is: Will she open it up for competition? There is no need to reappoint another patronage position.

### Point of Order

**Hon. Clayton Manness (Government House Leader):** That is exactly the identical question to the second question posed by the Member and therefore is out of order.

**Mr. Speaker:** Order, please. On the point of order raised, the question is asking a question which was

previously asked, therefore is out of order. The Honourable Member kindly rephrase his question, please.

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**Mr. Lamoureux:** Put quite simply, Mr. Speaker, it is: Why will this Minister not fill this position through competition?

**Mrs. Mitchelson:** I have already answered that question.

### Abuse Against Women Government Strategy

**Ms. Becky Barrett (Wellington):** A recent study done by the Canadian Teachers' Federation has found that young women throughout Canada are experiencing devastating feelings of uncertainty for their future.

Teenage girls are fearing for their personal safety and security and are also having to deal with problems of incest, other forms of child abuse, date rape, spousal violence and violence against women in our society.

These young women mirror concerns that all women share, concerns about their personal safety and freedom, concerns that every woman experiences the moment she leaves her house after dark, and concerns that some women, as we all know, face in their own homes.

My question is to the Premier. What co-ordinated Government strategy is in place to alleviate these concerns, and what programs are being undertaken jointly between the departments in this Government to deal with the many facets of the current crisis of violence and abuse against women and children?

**Hon. Gary Filmon (Premier):** Mr. Speaker, when we took Government in 1988, after years of underfunding and lack of attention and commitment by the New Democratic Party, we substantially increased the funding to women's shelters. We expanded the number of women's shelters that received core funding. We increased dramatically the funding to foster care in this province to address many of those very, very critical issues.

Mr. Speaker, you see, the Member opposite wants to make a political issue of this. This is not a political issue. The fact of the matter is this is a serious issue that all people in this province should be concerned about. Now—

### Point of Order

**Ms. Barrett:** Mr. Speaker, on a point of order, I hear the First Minister impugning motive to questions that are raised by myself and other Members of this House, and I find that is not to be countenanced in the rules.

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, we are in a political forum. I suppose every time we stand to rise in our place, for other than non-political statements, we can be accused of making political statements including the question posed by the Member opposite.

**Mr. Speaker:** Order, please. The Honourable Member does not have a point of order.

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**Mr. Speaker:** The Honourable the First Minister, to finish his response.

**Mr. Filmon:** Of course, most importantly, Mr. Speaker, because many of the systems are still not adequate, and there are still problems there, we have appointed the Pedlar Review Commission which that Member criticized.

That review commission has been lauded by women's groups throughout the province because it will investigate police procedures, Crown procedures, Corrections procedures, gun control, all of those kinds of issues to try and ensure that the maximum possible protection is there for young women in our society, women in our society of all ages to ensure that they will be in a sense of security in this province once again.

**Mr. Speaker:** Time for Oral Questions has expired.

\* (1420)

### ORDERS OF THE DAY

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, before I call the Supply motion, I would ask you to canvass the House to determine as to whether or not there is consensus to waive private Members' hour.

**Mr. Speaker:** Is there unanimous consent to waive private Members' hour? It is agreed.

**Mr. Manness:** Mr. Speaker, today in committee we will continue to consider the Department of Family Services in the Committee Room 255. If by chance those Estimates are concluded, we would then continue the Estimates of the Department of Health.

Within the Chamber, Mr. Speaker, the Department of Environment will continue to be reviewed.

I move, seconded by the Minister of Justice (Mr. McCrae), that Mr. Speaker do now leave the Chair, and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

**Motion agreed to**, and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Family Services, and the Honourable Member for Seine River (Mrs. Dacquay) in the Chair for the Department of Environment.

## CONCURRENT COMMITTEES OF SUPPLY

### SUPPLY—FAMILY SERVICES

**Mr. Deputy Chairman (Marcel Laurendeau):** Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates of the Department of Family Services.

When the committee last sat it had been considering item 4.(f) Children's Special Services: (1) Salaries \$257,500 on page 62 of your Estimate book. Shall the item pass?

**Mr. Reg Alcock (Osborne):** Osborne it is, yes, thank you very much, Mr. Deputy Chairperson.

I believe the Minister, as has become a custom in these Estimates, will have a few items to share with us before we begin.

**Hon. Harold Gilleshammer (Minister of Family Services):** Yes, we have been gathering some of that information that Members have requested, and I would like to share that with you at this time.

The first has to do with staff ratios at St. Amant. The Member for Osborne asked that I advise him of the staff year per patient ratio at St. Amant Centre Incorporated, and I can advise that as of March 31, 1990, there were 1.4 staff per patient, representing 373 staff to 262 patients.

The second issue, the Member for Wellington (Ms. Barrett) requested a breakdown of the components of last year's 47 percent increase for Family Dispute agencies. The increase of 47 percent refers to the total one year increase of \$1,010,400 between the 1988-89 and 1989-90 fiscal years for Family Dispute Services grants and operating expenditures.

Program grants to the agencies funded through Family Dispute Services increased by \$750,400 in 1989-90 to a total of \$2,711,200.00. The operating budget for Family Dispute Services increased by \$260,000 in 1989-90. That was an increase of 129 percent, including \$200,000 for the Abuse is a Crime media campaign, and \$60,000 to support other program activities. The combined increase for '89-90 of \$1,010,400, therefore, represents a 47 percent increase over the 1988-89 budget.

The Member should note that these increases do not include the additional payments that are made to crisis shelters from the Social Allowances Program of this department. These payments increased by \$402,600 in 1989-90; that is, from \$676,000 in '88-89 to \$1,078,600 in '89-90, an increase of 60 percent.

The third item, the Member for Wellington (Ms. Barrett) requested that I provide her with a list of research, evaluation and training projects conducted for the Children's Special Services Branch. I am pleased to table for the information of the two Opposition Critics two documents. One document presents information pertaining to research and evaluation conducted by the Child and Family Services research group through the School of Social Work. The second document provides information on training events presented by the research group.

**Mr. Alcock:** I thank the Minister for his attention to these details.

I would like to go back to two questions, one which we got into last night on special children's services relative to the fee structure that was paid St. Amant Centre. The Minister gave us some indication of the per diem rate that was applicable to that centre. It occurred to me that in the grants list that was tabled there are a number of agencies all whom which receive—not all of whom but there are a number of agencies on this list who also in addition to this grant receive a per diem rate. I wonder if the Minister could undertake to table the rate structure, the per diem rate, for all agencies to whom a rate is applicable?

**Mr. Gilleshammer:** The information that the Member is asking for is not available today. In anticipation of finishing here today, we will not have that for you by that time, but we would be happy to provide it to you at a later date.

**Mr. Alcock:** I thank the Minister for that. Just to clarify the request, I do not want detailed

background information. I would just like to know what the per diem rate is for the various agencies that receive grants, where indeed they also receive a per diem payment. I know not all the agencies on the grants list receive per diems but a number do, and what I would like to know is, last year's per diem and the per diem applicable under this current budget, much as we did with St. Amant Centre. Should we finish today, then the Minister could send that over in the House, and I would appreciate that.

Okay, just one other item, I was wondering when we got into the discussion yesterday about special children, about this question of supporting these children to the age of 21. I did spend a little time with the Canada Assistance Plan, and I understand, as I read the plan, it has been several years since I have, but as I read the Act I notice here that in fact a person in need includes a person under age 21, not a person under age 18. I am just wondering why the department has made a decision not to seek 50-50 sharing for people who are between the ages of 18 and 21, particularly when they are maintained in the same centre that they were when they were children?

\* (1430)

**Mr. Gilleshammer:** Yes, we would like to just take that question as notice and get a little further information before giving you a response.

**Mr. Alcock:** Yes, that would be fine. Again that is something that we could discuss later, it is not something that we need to pursue in great detail today. There is an interesting question here because these children are maintained in a facility, they stay in the same facility, Canada Assistance Plan gives the ability to claim right up to age 21 under certain conditions. It would just be interesting to find out why the province has not pursued that.

Let me move on then to the final item in this particular area and that gets into the Society for Manitobans with Disabilities. The first one is this question about affirmative action involving the deaf community.

The Minister, as I recall, when we closed last night, indicated that he was about to meet with the Society for Manitobans with Disabilities to tour the facility and to get into a discussion with them and indicated that he would carry this question to them at that time. I am wondering if he would be prepared to meet with representatives from the Winnipeg Community Centre of the Deaf to hear some of the

concerns that they raise about this prior to going to that meeting?

**Mr. Gilleshammer:** Yes, we have continued to meet with a number of people. This morning I was at Ten Ten Sinclair for a meeting and a tour of their facility. I also met earlier with a group, one of whom has a child at Brantford.

We are going to continue with the consultations that I have undertaken and the visiting, and we will try and accommodate that request and, certainly, meet with as many people as time permits in the next while.

**Mr. Alcock:** Well, I appreciate the Minister agreeing to do that, and I will see that the group in question gets ahold of his office immediately to follow up on that, because there is a very significant issue here. The deaf community has a great deal of concern about some of the developments that are taking place relative to the services that are provided specifically to them.

The Minister of Education (Mr. Derkach), I should say, was able to offer considerable comfort to them relative to the question of the preservation of the School for the Deaf, but the same concern has arisen here as it has with many distinct communities, and that is whether or not competent professional models within their community are being presented to the public at large. They feel that is not occurring in this instance and would like to see that that is undertaken.

The final question I would have for the Minister relative to this, and it again involves the society, is the policy underlying the support for special equipment, prostheses, hearing aids, wheelchairs, all of those kinds of things. Is there a written body of policy that supports the way in which the department supports these purchases?

**Mr. Gilleshammer:** I guess there are two avenues here by which clients can access the necessary devices. With a doctor's prescription they can get prosthetic and orthotic devices from the Rehab Centre, or there is a line in the budget for people who fall under the SMD to get hearing aids and hearing aid molds.

**Mr. Alcock:** I was not speaking solely about hearing aids, but if I understand it, orthotic devices, in other words limbs, et cetera, would be available through the Rehab. Would that also include wheelchairs and those sorts of instruments? If there is a written

policy, could I have the written policy relative to hearing aids?

**Mr. Gilleshammer:** Yes, the wheelchairs are provided through the Department of Health. As far as a written policy, the answer is no, we do not have a written policy.

**Mr. Alcock:** Are devices just provided as required? I mean, people just make requests?

\* (1440)

**Mr. Gilleshammer:** The specific guidelines you would have to get through the Department of Health. We could either try and get them for the Member, or I believe the Health Estimates are going to be heard here next. Perhaps the critic could get them via that method.

**Mr. Alcock:** Okay, that is fine. I do intend to sit in on those Estimates, and I will get a portion of that there. I am prepared to pass this section now.

**Mr. Deputy Chairman:** Item 4(f)(1) Salaries \$257,500—pass; (2) Other Expenditures \$89,900—pass; (3) Financial Assistance and External Agencies \$18,584,700—pass.

Resolution 50: RESOLVED that there be granted to Her Majesty a sum not exceeding \$110,947,000 for Family Services for the financial year ending the 31st day of March, 1991—pass.

Is it the wish of the committee—I was wondering if I will go through you, Mr. Minister, that we deal with Income Security (a) and (b) as one unit, or do we have different staff with them? Item (a) Central Directorate and (b) Income Maintenance Programs, are they the same staff within the two components?

**Mr. Gilleshammer:** This is a small section. We will go line by line, but we are prepared to take questions on either section, or whatever.

**Mr. Deputy Chairman:** What is the wish of the committee?

**Ms. Becky Barrett (Wellington):** I will defer to the Minister.

**Mr. Deputy Chairman:** The Minister could introduce the new staff present at the table.

**Mr. Gilleshammer:** Yes, joining us at the table is Doug Sexsmith, Executive Director, Income Security Program; Joan Roch, Director, Program Development and Support; also, Gerry Bosma, Director of Financial Services.

**Mr. Alcock:** I just want to clarify what we are doing. Is it my understanding that what we are going to do is basically deal with this entire appropriation? There are three sections (a), (b) and (c) that all relate to essentially the same thing. The Minister has given us an undertaking that we could ask questions anywhere, and then we will pass the whole thing once we are finished with this section.

**Mr. Deputy Chairman:** If that is the wish of the committee.

**Mr. Alcock:** I am prepared to support that, sure.

**Ms. Barrett:** Mr. Deputy Chair, this division is another major component of the whole Family Services Department, as is well-understood by everybody in this room. When I was going through this division, I realized that I could ask an enormous number of questions because it is a very complicated part of the department. However, in the interest of expediting the Estimates process since we have spent a great deal of time in this process to date, and we will be back in Estimates for the next fiscal year's expenditures within a reasonable period of time.

I am going to narrow my questions down to mainly dealing with issues that concern income security for the disabled, although those questions do have implications for many other people who deal with the income security system. With that I will start my questioning.

My reading of the Income Maintenance Programs, professional and technical staff years, is that there has been, or is anticipated to be, no additional staff for '90-91 even though there is a fairly substantial increase in the amount of money that is anticipated being spent on the various social allowance programs. Since we are about three-quarters of the way through the year, has that meant an increase in caseload for individual Income Security personnel?

**Mr. Gilleshammer:** Yes, with an increased number of people accessing the program and similar staff, there has been some increase in caseload.

**Ms. Barrett:** I am wondering if the Minister could tell me either now or get for me later what the current caseload per staff is versus what it was last year? What kind of an increase has there been?

**Mr. Gilleshammer:** The number of cases per worker is 240, which is an increase over last year's figure.

**Ms. Barrett:** Could the Minister give us what last year's figure was?

**Mr. Gilleshammer:** We do not have that figure with us at the moment, but we could provide that for the Member.

**Ms. Barrett:** I assumed there was an increase in caseload just because the staff has not increased, and even if there were not a financial increase, there certainly would have been an increase in uptake of income maintenance programs, what with the worsening economic conditions in Manitoba and throughout the country and some other external factors as well. I am concerned, and I would just put the concern on the record that a caseload of 240 is quite a substantial caseload. I know some of the workers are—they are not dealing particularly with counselling or that kind of thing. It is not quite the same kind of interaction with recipients as in some of the other Family Services divisions.

There is an expectation, certainly in the literature that is distributed to people, that there will be consultation and an attempt made to deal with people's individual cases. I am concerned that with this lack of increase in staff to take care of the uptake in the caseload that that component will become even less of a priority than it currently is.

**Mr. Gilleshammer:** Yes, I can give you the figures. Last year, caseworkers handled on average 231 clients.

**Ms. Barrett:** So that is not a substantial increase, but I would like to put on record then a concern that when the department is dealing with Estimates for next year, given the anticipation of a continued decline in our economic situation, that serious concern and look be given at increasing the staffing component to enable staff to deal in a caring manner and in a competent way with people, which is very difficult to do when you have a caseload that is too heavy.

Has the division done any planning or research, or thought about what is going to be the impact on the income maintenance programs, the uptake for those programs, when the Unemployment Insurance provisions come into play?

**Mr. Gilleshammer:** The anticipated increase is in the neighbourhood of 3 percent. I would point out to the Member that the increase will probably be most reflected at the municipal allowance level in that these are people who are temporarily accessing the

system while moving from one job to another, or waiting for another job to open up.

**Ms. Barrett:** I think that, while it would appear that, yes, the municipal-city welfare will have at the outset a major portion of that increase, these situations, these things also tend to have a ripple effect and go through the system.

So I would suggest that there will be an increase in uptake due specifically to the Unemployment Insurance changes throughout the system, not simply at the municipal level.

\* (1450)

The other area that is of concern that is going to be occurring, for which we have not yet had the implications specified for us, is the goods and services tax. I am wondering, I know the 4.5 percent increase is due to come into effect on January 1, and that is based on, in my understanding, the current CPI increase.

Is there any planning being undertaken to monitor the impact of the goods and services tax on purchasing power of individuals, particularly those in the income assistance level and making adjustments based on the results of that monitoring later in next year?

**Mr. Gilleshammer:** Certainly the staff in this department will be viewing with some interest the effects of GST and would constantly monitor the changes in the economy, but historically the changes in social allowance have been announced by Government after analysis and have been put in place to come into effect on January 1 of the coming year, and we do not anticipate any new way of doing that.

**Ms. Barrett:** Mr. Deputy Chair, yes, I know the historical pattern. My concern is that we are in very different times now potentially. We have talked earlier in these Estimates processes and in the House about the fact that there are suggested percentage increases in the cost of living as a response to the goods and services tax, the inflation rate. The federal Minister of Finance has stated between 1.5 percent and 2 percent. I would suggest that is a floor rather than a ceiling.

If there is no change in the historical pattern of doing things, what is very likely I would anticipate will happen is that this 4.5 percent increase, which is arguably under the actual cost anyway, will be further reduced by the impact of the goods and

services tax, which will impact even more strongly on the purchasing power of lower-income people, of which maintenance program recipients are a large portion.

**Mr. Gilleshammer:** I would remind the Member that the GST credit is going to be passed on to the recipient. This benefit should more than offset the actual cost of clothing or personal needs or household supplies. That credit is going to flow through like other credits and not be the subject of a clawback and counted as additional income.

The department feels there will be an offset there which will take that into consideration.

**Ms. Barrett:** Yes, I understand that and I, along with the Member for Osborne (Mr. Alcock), applaud that decision on the part of the department. I am just suggesting that we are, all of us, entering into a very unknown area here. Nobody knows, certainly not the Government, what the impact is going to be of the good and services tax, and there have been a lot of speculations around that it is going to have a severe impact, potentially have a severe impact.

The very least I am asking is that the Government make a commitment in this—dare I say it—transition year to monitor more regularly the impact of the goods and services tax on the items that those people who are on social assistance purchase, to see what kind of an impact it has and to make adjustments in their payments to reflect that goods and services tax impact, if there is one.

**Mr. Gilleshammer:** I am appreciative that both critics recognize that it is a caring policy that the Government is going to bring forward in not counting the GST credit as additional income. I can give you my assurance that the Government and this department will continue to act in a sensitive manner.

**Ms. Barrett:** I will look forward to the details of that action as we come into the next year and see the impact of the goods and services tax and the recession on the purchasing power of these individuals.

The Minister has stated that historically the rates have been altered annually. My information is that in 1974 the rates were altered quarterly. I am wondering if the Minister has any plans at all to look at the possibility of altering the rates more frequently than annually to take into account the rapid changes in our cost of living, rates of inflation and very quickly

changing external economic trends that are hitting us in the last decade of this century?

**Mr. Gilleshammer:** The answer is no, we are not planning a change. As I look back through the last decade, these rates were changed on an annual basis, albeit of varying amounts. I was away from the House the other day, but I think the Premier referred to some of them in a question from one of your colleagues. At this stage the answer is no. We have announced the increase and will be proceeding with that. I have given the Member assurances that this branch of the department will monitor changes in the economy.

**Ms. Barrett:** Has the Minister and the Income Maintenance department given any consideration to next year for example, or during this year, meeting with various groups that represent people on social assistance and talking with them, discussing with them the actual costs and expenditures of items that are in the basket that goes to make up the allowances, to get the user view prior to setting their next rates?

**Mr. Gilleshammer:** Yes, we do get feedback throughout the year from agencies, and we get feedback from our staff who meet with the recipients on an ongoing basis.

**Ms. Barrett:** Yes, I am aware of that. This is a slightly different set of individuals. These are groups that have formed in the community that represent the various social assistance categories like Manitoba Anti-Poverty Organization and the Social Assistance Coalition of Manitoba, perhaps the Manitoba League for the Physically Handicapped Inc., organizations that are advocating on behalf of the users of the system as another input to the process in determining the needs of these individuals.

\* (1500)

**Mr. Gilleshammer:** We would make that commitment. This is, in terms of dollars, a very large part of my department in that approximately half of the expenditures fall under this particular branch. The branch has and will continue to meet with people, and I would make a commitment to have the branch continue to do so.

**Ms. Barrett:** I understand the Minister is saying, he will continue to meet with people. I am asking that he would make a commitment to meet as a regular part of the planning for the budget for the next year,

that not only would he consult with the staff of the agencies or the staff of the department, but also the groups that represent the users of the service that his department is providing.

**Mr. Gilleshammer:** I think maybe the Member misunderstood. I did say, yes, that the department would do that.

**Ms. Barrett:** I did misunderstand, and I appreciate the clarification. I have a few questions on basically the guidelines and the way the program is implemented that I would like to ask the Minister.

In the work incentive program, my understanding is that the guidelines go by monthly rather than yearly income, is that correct?

**Mr. Gilleshammer:** Yes.

**Ms. Barrett:** Has any consideration been given to changing that policy to have it reflect a quarterly or a semiannual or even an annual income?

**Mr. Gilleshammer:** Our payments are made on a monthly basis so the assessment of income is also done on the monthly basis. We have not anticipated any change in that.

**Ms. Barrett:** Can the Minister explain why self-employment is not considered as part of the work incentive program?

**Mr. Gilleshammer:** Yes, I would say to the Member that historically the self-employment has been exempt, but it is something we would be prepared to revisit, to look at.

**Ms. Barrett:** This could be part of the discussions that the Minister would be willing to undertake with various user groups to look at the problems related to excluding self-employment, and what some of the suggestions of those groups might be for including certain kinds of self-employment? Is that what the Minister is suggesting?

**Mr. Gilleshammer:** I have made the commitment that staff would consult, and if that is part of what is brought forward, certainly it could be looked at.

**Ms. Barrett:** Thank you, I appreciate that. I am sure that those organizations will be pleased to hear that there is a willingness to listen in this regard.

I have another question about the work incentive program. Can the Minister explain the rationale for—sorry, not the work incentive, but why social assistance recipients, when they go into job training programs or on student social assistance, lose their medical coverage?

**Mr. Gilleshammer:** I do not believe that is correct. I wonder if the Member could give more information on that?

**Ms. Barrett:** In the Allowances program under health needs, Social Allowances Health Service, it states, recipients not eligible for SAHS card—short-term assistance, student social allowances, et cetera—will have their health needs met on an item-by-item basis. I am wondering if the Minister can explain in particular student social allowances being excluded from the Health Services card?

**Mr. Gilleshammer:** I am told that when they become eligible for student assistance, they do not actually have a medical card but that their medical and dental needs are met by the department.

**Ms. Barrett:** Yes, it states in the brochure that their health needs are met on an item-by-item basis. I am just asking why that particular group gets the card taken away and has to make application on an item-by-item basis. I do not understand the rationale for that.

**Mr. Gilleshammer:** They do not have a card taken away. They become eligible for short-term student allowance and the medical/dental needs are allowed and dealt with on an item-by-item basis. So I guess it is something that they are not having ripped from their hand or their pocket. It is something they have not qualified for at this point, but this student social assistance is, by definition, a short-term arrangement.

**Ms. Barrett:** Just another question clarification in that regard. So there are no student social allowance recipients who have not been on social assistance before they become student social allowance recipients?

**Mr. Gilleshammer:** The students in those cases may be students the second time around and if they are going back to school, perhaps even as a parent and having young ones, in that case the card is not taken away. Possibly the area where we are having difficulty communicating is our definition of a student. In the first instance we are talking about young students who are accessing assistance for the first time, but I recognize, too, that students may be people re-entering the educational field and in that case the card is not taken away.

**Ms. Barrett:** I appreciate that clarification. Are there any regulations for any of the job programs that are

accessible by social assistance clients that require a medical certificate saying that their health will not deteriorate throughout the program?

\* (1510)

**Mr. Gilleshammer:** Not that we are aware of.

**Ms. Barrett:** That was information I was given by someone who tried to access one of those programs who is disabled, so I will endeavour to get more specific information on that particular case and bring it to the Minister's attention, either through the Estimates or in personal contact because if there is something, I would like to know about it. If this is not the situation, then I would like it clarified as well.

**Mr. Gilleshammer:** We are looking at a case-by-case situation. We would be happy to assist you to assist your constituent.

**Ms. Barrett:** Well, I will try and endeavour to find out if this is a case-by-case or if there is a broader implication to this question and talk to the Minister about it.

A couple of other questions I have on regulations. One of the figures that has caused—I am sure the Minister would certainly agree and certain Mr. Sexsmith would agree—a lot of concern is the \$50 a month that is allowed to be kept by individuals on social assistance. I am wondering if the Minister can give us the department's rationale for maintaining that \$50 a month, and when it was last changed? How long has that \$50 a month been in effect, allowable earnings?

**Mr. Gilleshammer:** I would provide the following information for the Member: That it is \$50 a month, or 30 percent of the gross monthly earnings. Again, the philosophy behind assistance is that it is a basic safety net for people who have fallen on unfortunate circumstances and need this type of assistance to sustain them. If they are making additional money, to some extent, then that has to be taken into consideration, in terms of continuing that assistance. They are allowed to earn and keep \$50 per month or 30 percent of their gross monthly earnings.

**Ms. Barrett:** Mr. Deputy Chair, I think this sort of gets at one of the basic issues, as far as I can tell, in this whole area that there is an underlying assumption made, which in many cases is accurate, but I would suggest in the case of many people on social assistance, it is not an accurate assumption

that they will be, in the near or some time middle future, able to be employed.

I can read you statistics, it states for the disabled in Manitoba, that is less likely than 50 percent to be the case. My concern is that for individuals, through no fault of their own, particularly in the case of the disabled and people who are unable to get away from social assistance access to funds, that amount of money, which to my understanding is the lowest in the country, is not sufficient to provide them with enough additional funds to be able to have a decent quality of life. I am talking about the people—and most of them are people who will be on social assistance for an extended period of time.

I think the assumption there, which has been the historical assumption for a very long time—I am not suggesting for a moment that it is a new assumption—I would suggest needs to strongly be looked at and re-evaluated in light of the current situation. As well as in light of the lack of resources, training programs and other things that can enable people to get off social assistance, and a lack of jobs to go to which is likely to become even more of a concern in our economy.

There are a lot of reasons, both systemic and external, that would suggest that people will be needing social assistance for an extended period of time, and that we need to very seriously look at those basic rates, for example, the \$50 a month.

**Mr. Gilleshammer:** We would take the Member's comments as information. I would point out that the 30 percent that clients are allowed to keep is the highest in the country and that the work incentive program is certainly there to assist people to re-enter the work force. There are quite a variety of programs that have been put in place to enable people to re-enter the work force, but I recognize that we are talking about different groups of people to whom some of that does not apply.

**Ms. Barrett:** Mr. Deputy Chair, I appreciate the Minister's recognition of the range of situations we are looking at here in this one global kind of social assistance field.

Speaking of the work incentive, according to the draft annual report of the 11,046 identified as disabled clients on social assistance this last year, 1,635 were involved in work incentive programs, which is slightly over 10 percent.

I think that speaks very strongly to my earlier points that for whatever reason, either because

there are not enough programs or because there are some barriers to access or some reason, there are approximately 90 percent of the disabled people in Manitoba who are on social assistance who are not taking advantage of the work incentive programs, which is one of the basic methods outlined in the plan to enable people to get off social assistance.

I am, I guess, asking the Minister if there are any plans to expand work incentive programs or to look at the reasons why 90 percent of the disabled people in Manitoba are not taking advantage of those programs.

**Mr. Gilleshammer:** It is more than just taking advantage of those programs. It is the ability to secure a job afterwards in the labour market that is one of the difficulties that these people face. There have been new initiatives in recent years added to the program to try and have these people re-enter or people on social assistance re-enter the work force, and there may be a segment of the clients who are more successful in negotiating their way through the job training and then finding their way into the labour market.

**Ms. Barrett:** Back to my original question about caseloads. The workers who now have a caseload of 240 people on an average, are the same workers who are working with the disabled as well as other social assistance recipients in order to help them with information about these work incentive programs, other programs that are available and helping them access and work through this system. Is that correct?

\* (1520)

**Mr. Gilleshammer:** Yes, they are the same workers who work with whomever makes contact with the system. We also have the counsellors at the Human Resources Opportunity Centres who are available to work with people at those locations.

**Ms. Barrett:** Mr. Deputy Chair, I would just suggest that the statistics on the disabled's access to work incentive programs need very much to be looked at, the reasons for that and work towards improving the access so that more and more disabled are able to get off social assistance or at the very least improve the quality of their lives. I would suggest that in the meantime that \$50 a month needs to be very seriously looked at. A couple of other questions—

**Mr. Gilleshammer:** I would point out again, it is the capacity to generate those jobs as well that is the

other side of that argument that we also have to be concerned with.

**Ms. Barrett:** I am very glad that the Minister has made that comment because that is what I have been trying to say as well, that while we are in an economy that is not growing, where the jobs for every area are shrinking, that the social assistance income maintenance programs should take a good look at being able to be more responsive to those external economic realities, and make a special effort to reflect those external realities in the degree of assistance that they provide for people, with the understanding that no matter how much you may want and be willing to do everything in your power to get off social assistance, which the vast majority of people would like to be able to do, many times there just are not the resources externally to be able to allow someone to do that, not through their own fault at all, and that the programs should recognize that and work toward providing those people with a decent level of financial support.

**Mr. Gilleshammer:** Well, I do not always like to state the obvious, but the Member is well aware of the comments made by the Finance Minister (Mr. Manness) earlier today and the tremendous debt we also have to address, and would we not like to be in a position where that \$551 million that we spend on that debt that was accumulated through the 1980s, would we not all like to have that sort of money available to us.

At the same time as the Member is exhorting us to increase the number of dollars for child and family service agencies and for shelters, she is also asking us to add money in this particular area of the budget. I appreciate the help from her colleagues who say, take it from the Minister of Environment (Mr. Cummings) because the Round Table is not important, or take it from Natural Resources because his initiatives are not important, or even the assistance from the Third Party who say, do not build that hospital in Minnedosa or do not build that hospital in Virden because we need that money elsewhere. I appreciate the assistance, but it is a tremendous struggle to sort of choke off the money for other departments and have it all come into Family Services. The Member has recognized that we did get the highest increase across Government last year, but I appreciate her continued support. Perhaps we could even get money from Northern Affairs to put into this particular budget.

**Ms. Barrett:** I just want to state that, yes, I have heard the Minister of Finance (Mr. Manness) and the Premier (Mr. Filmon) and other Ministers of the Government on several, several occasions make the statement about the deficit. I do not believe that we should get into that discussion right now, but I would just like to say that throughout the '80s implied in the Minister's statement and made very explicit in some of the other statements of his colleagues, has been the idea that it was the former provincial Government that engendered this half a billion dollar debt, and I would like to remind the Minister and his colleagues that the federal Government fiscal policies had a great deal to do with the current financial situation that we find ourselves in.

I do believe, however, that these Estimates—now, this is getting slightly off the topic that we need to talk about. I understand when the Minister says that there is not an unlimited amount of money—the Minister may not believe that I understand that from his perception of my line of questioning throughout this Estimates process—I understand the need to set priorities and I understand the need to be fiscally responsible, and we are not in the 1970s. We do have to make serious changes in the way we approach all of these issues.

What I am suggesting to the Minister, and have tried to suggest throughout this Estimates process, is that we need to look in a creative manner at what we have done in the past, what we need to do and how we can do it, and I think there are ways to look at these problems in a caring, open fashion that will allow, without an inordinate increase in financial expenditures, for assistance to people who need to access the programs of this department.

(Mr. Gerry McAlpine, Acting Chairman, in the Chair)

I am doing what I think is my job as a critic to point out the areas where I think there are problems and areas that I think need to be looked at. That is my responsibility to point those out and the Minister's responsibility, along with his Cabinet colleagues, to make the decisions that the Government lives with, but I certainly am not suggesting for a moment that we have an unlimited amount of money, I am suggesting some potential repriorizations.

I do have a couple of final comments to make that I would like to have the Minister talk about, or respond to, before I finish my part in this Income Security.

Across Canada, welfare income, as a percentage of the poverty line for a single disabled person, goes from 75 percent in Alberta, not surprisingly seeing as how Alberta has a very rich provincial economy, to 50.6 percent in New Brunswick, which also is not out of line seeing as how New Brunswick is a maritime province with a historically weaker economy.

Manitoba, however, which I believe in past years has fared better, is currently at 56.6 percent, which is the third lowest in the country.

I am wondering, our cost of living is not, I do not believe, the third lowest, individuals in this province are closer to fourth or fifth or sixth in some cases. As a matter of fact, according to some of the figures that the Government's Finance Minister (Mr. Manness) has placed on the table during Question Period, we have inordinately high tax rates.

So on some other indicators, our costs of living are higher than the ranking as far as the social assistance income is concerned, and I am wondering if the Minister would comment on that, and if he has any suggestions for how people deal with that, given the fact that the various interest groups have stated that the 4.5 percent increase that is being given to social assistance recipients in January is well below the actual cost of the items that they spend most of their money on.

**Mr. Gillehammer:** Well, I am pleased that the Member recognizes the high taxes here in Manitoba because it is something that we hear about each and every day from constituents, and one of the things, as a Government, that we have to address. The Member will no doubt applaud the fact that taxes like the payroll tax have been, to some extent, eliminated, and that we were able to hold the line on taxes and actually cut some taxes. So your recognition of the high taxes, and I am sure your joy in the fact that some of these taxes are being eliminated or scaled back, would certainly go hand in hand, and we appreciate that.

\* (1530)

Yes, the cost of living in Manitoba irrespective of those taxes is lower than other jurisdictions. Certainly it is not as high as the cost of living you would find in southern Ontario or Alberta and as a result, payments for social assistance would be less. For instance, the amount of money allotted for food is tested against Department of Agriculture nutritious foodbasket standards and meets that test.

So, while we do not have the highest rates in the country, we do not have the lowest.

**Ms. Barrett:** Mr. Acting Chairman, the information that I have which has been produced by groups that are in the field—literally, they are recipients of social assistance—state that the Consumer Price Index, November of 1989, indicated the inflation rate for food was 5.8 percent; inflation rate for clothing, men's and women's clothing, 5.7 percent; and inflation rate for household supplies, 5.7 percent and personal needs, 5.6 percent. Now, these cover the main categories that social assistance payments are based on. This is quite a different set of percentages than the 4.5 percent that has been given to social assistance recipients. These figures are, granted, a year out of date, but I would suggest that they have not decreased in the meantime but have, in fact, increased.

**Mr. Gilleshammer:** I would indicate there are other aspects you must look at. The Statistics Canada low-income line which is used widely as an indicator of poverty may not be the most accurate measure in that the same income line is used for Winnipeg, Toronto and Vancouver, despite the fact that living costs and, therefore, income required to meet those costs, tend to be lower in Winnipeg.

You also have to look at not only the rates but also the social allowance tax credits that individuals are allowed to keep, and we talked earlier of the GST credit. Not all jurisdictions are allowing recipients to maintain that. On top of that, there are other credits, such as the sales tax and the child tax and property tax, which are sums of money which recipients are allowed to access and not be used in a negative sense against the amount of income they are allowed to keep. So, to some extent when you are comparing provinces, you are comparing apples and oranges, and you have to look very carefully at what indicators you are using.

**Ms. Barrett:** I agree with the Minister that you have to look very carefully at the indicators. Statistics are very flexible items. However, these figures I am quoting are not just figures out of Toronto. They are figures that have been backed up by individual members of this community who I am sure have made presentations to the Minister in the past stating generally that over the last at least 10 if not 20 years the social assistance rates have not kept up at all. As a matter of fact, people are losing yearly. In order to actually get to where they should be a

catch-up of 25 to 30 percent would be required. I think that, in this context, is not feasible this year.

The point I am making is I have sources I consider to be legitimate that state that all of the basic components of social allowance determinations are very severely underreported and underfunded. I could suggest just a few cases where—I suggested earlier the \$50 a month—that have not been changed for a fair bit of time. Laundry costs—my understanding is that they are not considered in the basket of determining what the social allowance rate would be. They were last calculated in 1983 at \$12 a month and have not been changed since then.

The special needs allowance, which is a favorite of mine, of \$150, has not increased for 30 years. Now \$150 in 1960 was a fairly substantial amount of money, but 30 years later buys virtually nothing. In effect, it means that social assistance clients have to go their individual workers, who currently have a caseload of 240, to request any expenditures over \$150 of that special needs allowance. I would suggest that caseloads could be decreased by a reasonable percentage if that special needs allowance was increased to more accurately reflect current financial situations.

As well, the special diet allowance has not increased since 1982. Many disabled people, for example, are required to have special diets, and those items have not reflected in any way catch-up to the current actual costs for these items.

I am putting those examples on the record to show the fact that in many ways the Social Allowances Program has not kept pace. It certainly has not made up the low base, and it has not begun to keep pace in many of the areas that are, I believe, necessary for it to do so. I would ask that the Minister, when he meets with the various individuals and groups that have a definite interest and some expertise in this regard, to talk to them about the possibility of making some long overdue adjustments in these areas as well as others.

**Mr. Gilleshammer:** We would commit to taking the Member's representation very seriously. A few moments ago she suggested that we should be increasing these allowances by 20 and 30 percent. I find that interesting when I look at the increase in the mid-'80s of 2 percent and 3 percent. Now the Member, from the luxury of a seat on the left-hand side of the Speaker, is saying that these increases should be upwards of 30 percent.

I can tell the Member that 4.5 percent, which is the amount that has been announced for 1991, translates into an increase in that budget of \$5.4 million. Just doing some quick arithmetic, what she is calling for is an increase of \$36 million next year to increase that allowance by 30 percent.

\* (1540)

Again, just a few minutes ago we recited some of the concerns we have about high taxation and our lack of ability to access more income for Government and the lack of dollars remaining in the pockets of Manitobans because of those high taxation policies put in place during the 1980s. By the same token, the third highest spender in Government is the Minister of Finance when he has to write that cheque out to the people who have provided money for this province, and \$551 million is gone right off the top.

So as I say, it is from a position in the House and history where the Member is advocating expenditures, increases of 20 and 30 percent which, I am sure, will meet with a certain degree of favour from a community that would welcome that. At the same time, we have to be fiscally responsible and try to live within the budget that we have.

**Ms. Barrett:** I will bite back the almost overwhelming urge I have to respond to the taxation part of this discussion which we have had in previous times. That is a major difference between the Government side and the Opposition benches at this time. I will only state that if I had the opportunity and the time I would go back to the half-full, half-empty discussion, but I will not. I will restrain myself at this point.

First of all, I would like to clarify for the Minister. My statement about the 30 percent increase was a reflection of what groups in the community who are social assistance recipients have done research saying if we were to make up for the last 10 to 20 years of insufficient funding it would mean an increase of 20 to 30 percent. I think I stated I was not suggesting that all happen in one year. I am using that to make some sense of the current situation and where these people are vis-a-vis the actual costs of purchasing the items that they need.

I would like to ask the Minister if he has the social allowance rate increases for the entire decade of the 1980s and if he does if he would please read them into the record year by year?

**Mr. Gilleshammer:** The increase in 1980 was 8 percent. The increase in 1981 was 10 percent. The increase in 1982 was 16.5 percent; '83, 10 percent; '84, 3 percent; '85, 2 percent; '86, 2.8 percent; '87, 4.4 percent; '88, 5.3 percent; '89, 3.9 percent; 1990, 4.9 percent and, of course, the year we are now discussing, the coming year, 4.5 percent.

(Mr. Marcel Laurendeau, Deputy Chairman, in the Chair)

**Ms. Barrett:** I am glad that the Minister had those figures to read into the record in a complete fashion because in the House the Minister of Finance (Mr. Manness) did not read the complete decade's figures into the record.

I would note that the years 1980 and '81 were, to be fair and honest, years where this current Government was in power. If memory serves me correctly, in those years and for sure 1982 and 1983, we were, as a country, in the midst of a fairly serious recession. The social allowance rates would, to my way of thinking for that whole four-year period, reflect an understanding of the fact that those external forces were at work. I do appreciate having those entire 10 years read into the record because they give, to my way of thinking, a slightly different view to the performance of the previous Government.

I have one final question for the Minister. It is a specific one again dealing with services to the disabled. Are staff available to go to the homes of the disabled, or do the disabled have to come to the social assistance office or the income maintenance office to talk with their caseworkers?

**Mr. Gilleshammer:** The answer is yes, that home visits can be arranged.

**Ms. Barrett:** Is that something that disabled recipients are made aware of, that this is a right that they have to ask for home visits, or is it only upon request?

**Mr. Gilleshammer:** I am told that generally speaking, the availability of home visits is an item that applicants can be made aware of and are made aware of.

**Ms. Barrett:** I have a lot of further questions in this area, but have taken up I believe enough time at this point in the Estimates process and look forward to a more detailed analysis of some of the areas that I was unable to cover in the next Estimates process.

I want to again thank the Minister for his commitment to discussing some of the issues that I have raised on behalf of the community that accesses these programs and hope to be able to see some positive results of those dialogues in the near future.

**Mr. Deputy Chairman:** Is it the wish of the committee for a five-minute break to stretch? Recess, five minutes.

\* (1550)

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The committee took recess at 3:50 p.m.

### After Recess

The committee resumed at 3:56 p.m.

**Mr. Deputy Chairman:** Come to order.

**Mr. Alcock:** Mr. Deputy Chairperson, I would like to just ask a few questions of the Minister just to get a sense of some of the history and to make a little sense out of some of the numbers before we get into specific questions. I am afraid that when he read out that list of data, percentage increases, I just want to clarify one thing. Has it been the policy for the whole time that list applies to to increase social allowance rates on January 1?

**Mr. Gilleshammer:** Yes, I am told that since January 1980 it has been changed as of January 1.

**Mr. Alcock:** Just to make sure I got that list correctly and save time, I will read the numbers that I have off and perhaps the Minister can—did his list start in 1980 then, January?—and I have a figure of 10 percent; then for '81, 16.5 percent; '83, 10 percent.

**Mr. Gilleshammer:** I can tell you what I said. It was, 1980 was 8 percent; '81 was 10 percent.

**Mr. Alcock:** Mr. Deputy Chairman, can we just talk a little bit? I mean, I am interested in the policy structure that underlies this particular program. When we make a change like this and we look at applying or determining what the size of the increase can be, can the Minister just tell us a little bit about the process it has undergone? I know that from the press release and from other discussions in the House he has talked about a simple application of the cost of living. I presume that is the Stats Canada price index. Can he just tell us a little bit about how that is applied?

**Mr. Gilleshammer:** An overall analysis of the consumer price index is done by the department and the information is forwarded to Government and Government makes a decision on it.

**Mr. Alcock:** Has it been the policy of the Government to basically accept that recommendation?

**Mr. Gilleshammer:** Government will determine from year to year the degree to which it can follow that guideline.

\* (1600)

**Mr. Alcock:** In the case before us right now where the Government has announced a 4.5 percent increase effective January 1, we are really applying a lagging indicator to the future. We are suggesting that inflation was at this level, therefore, we allowing people to catch up, in a sense, with the problems incurred by inflation through the past year. I mean, we have no real ability to predict inflation into the future, so that would seem to be a reasonable approach. Is it as straightforward as the application of the CPI change to the rates that people are provided in their current support?

**Mr. Gilleshammer:** Yes, I can speak for this year and information I have from preceding years that we have made an effort to increase the social allowance equivalent to the CPI.

**Mr. Alcock:** Then when we talk about that, are we applying that 4.5 percent across all of the components of the support that people receive?

**Mr. Gilleshammer:** That 4.5 percent covers food, clothing, personal needs and household needs. The rent that people pay and the accommodations they have is paid directly to the landlord. It is the actual amount that is forwarded to the landlord. The rent guideline was at 4 percent.

**Mr. Alcock:** So in a case of rent then, would the guideline produced by the Minister of Housing be instructive in terms of the rate structure that the department is prepared to support?

**Mr. Gilleshammer:** Yes.

**Mr. Alcock:** Before we deal with rents then, just talking about this basic grouping of food, clothing, personal and household, the amount determined in a previous year, I mean, let us, just for the sake of a discussion, assume a person had been provided with \$300 worth of support across those four items, will they then get \$300 plus 4.5?

**Mr. Gilleshammer:** Yes, that basically is correct, but the other factor is it depends on family size and the age of the children, and those are somewhat of a variable, but basically the 4.5 percent is applied to those items.

**Mr. Alcock:** So then exclusive of rent, the level of support that is currently provided will increase by the 4.5 percent. There are no deductions from the base support before the 4.5 is applied.

**Mr. Gilleshammer:** Yes, the 4.5 percent is over and above what they received the previous year, provided there is not a change in Other Income.

**Mr. Alcock:** Could the Minister just tell us a little bit about the rental guidelines that the department uses? Does it have any schedule of rents that are supported by the department?

**Mr. Gilleshammer:** Yes, there are historic figures that are used for basic rent, and they will be increased by 4 percent for the basic rent. There are even some cases where that guideline is exceeded on a case-by-case basis.

**Mr. Alcock:** Can the Minister tell us what that basic rent guideline is?

**Mr. Gilleshammer:** Again, it depends on the size of the family. For one person the basic rent is \$234, for two people it is \$274, for three people it is \$298, and so forth.

**Mr. Alcock:** So the difference is implied, larger apartments for more people, but it is not specific to whether an apartment has one bedroom or two bedrooms or whatever? It is an amount of money and then the person finds whatever accommodation they feel is appropriate within that?

**Mr. Gilleshammer:** That is correct.

**Mr. Alcock:** When a person lives in subsidized housing, in regional housing, is there a difference in the support policy?

**Mr. Gilleshammer:** The actual cost is paid by the department.

**Mr. Alcock:** Why does that difference exist?

**Mr. Gilleshammer:** I am told that the rate for the subsidized housing is worked out in conjunction with housing departments.

**Mr. Alcock:** Given that housing developments such as the ones we might be talking about are already subsidized by Government, why are we providing a

different level of support to them than we will for individuals living in private accommodation?

**Mr. Gilleshammer:** Both departments are involved in the funding and it is a historical arrangement. With non-social allowance recipients they pay a percentage of their wage. With social allowance recipients our department pays the guidelines. The genesis of this is a historical one that we follow and both departments of Government are involved with.

\* (1610)

**Mr. Alcock:** It is a fairly significant difference though. I note from the figures the Minister gave us that for one person, a basic rent of \$234, and yet I have a letter with a support payment in subsidized housing of \$358, almost more than 50 percent higher.

I am wondering why we are compelled to fund through this appropriation that significant a difference or why the individual support has not kept up?

**Mr. Gilleshammer:** Are you indicating there that we are talking about an individual as opposed to a family?

**Mr. Alcock:** The rate the Minister quoted me for one person was \$234, and I have here an actual outline of benefits from as recent as this November that for an individual living in regional housing, they were receiving \$358, which is better than 50 percent higher than the amount we are prepared to support a person who cannot access regional housing.

I wonder why we would, given the limited availability of regional housing, impose this additional hardship on people who cannot access it?

**Mr. Gilleshammer:** I am sorry, I do not understand the additional hardship that we are putting on people.

**Mr. Alcock:** For people who are prepared to live in Government supplied housing we are prepared to pay in this case—I realize these are individual—\$358.00. Yet the Minister said for that same person, a single person living alone, we would only pay \$234.00.

**Mr. Gilleshammer:** It is an arrangement that our department has worked out with Housing.

I am just trying to understand where the Member is going with this. What you are saying is that we are paying too much for that Government-owned

housing, and it is unfair to people who are not able to access it?

**Mr. Alcock:** What I am noticing is we have a policy structure here. As I read the various statements of the Minister and the department in the past, it talks about equity and equal treatment. Yet there is a significant difference here and I am just trying to understand it.

Is it because we wish to support the housing program through 50-cent dollars that we access through this particular department? It is a significant difference, and I am just trying to understand why it is that we would support one person at a level of \$358 a month and another person at a level of \$234 a month, the difference being that one of them is living in our apartment.

**Mr. Gilleshammer:** I suspect it is the availability of that housing and that it is set aside for individuals and that we are paying that current rate to the Housing Department.

**Mr. Alcock:** Is the current supply of regional housing adequate to meet the demand for it?

**Mr. Gilleshammer:** I suspect your critic of Housing would have the opportunity to ask that of the Housing Minister when you get an opportunity.

**Mr. Alcock:** I can assure the Minister that the critic for Housing I will consult with in some detail, and I am sure that he will indeed raise these questions.

However, it does strike me that we put considerable—and we have in the past put a considerable amount of money into building regional housing, but, certainly, I do not think it is any secret that the supply is not adequate to the demand. We subsidize that housing in a great many ways, sometimes by preferred rates on the acquisition of the property. We build fairly high-quality housing, and we provide cash support to that housing by way of subsidies delivered to the Housing Department.

We find now that we supply another form of support to that particular housing by unequal treatment of people who live there. If you live in regional housing, you get supported at 50 percent a greater rate than if you do not live in regional housing which certainly restricts the choices that people supported by these programs would seem to have. I am not certain that there is a response to that at this point, other than to note that difference exists,

but I want to talk about some more differences that exist.

Let me first understand some of the numbers. I notice in the report, and I look at the Social Allowances Program table, average monthly caseload by category, '89-90. Am I correct when I read this table, and I note that there are 24,573 cases referenced here. I presume that is the average monthly caseload for the year of '89-90. Is that the entire Social Allowance caseload for the province combining municipal and provincial?

**Mr. Gilleshammer:** Those are the provincial numbers only.

**Mr. Alcock:** Does the Minister have a total number? If I flip over to the next page then, when I see average monthly number of recipients, I see a figure of 47,673. My first assumption was that was more than one person per case, for example, a sole-support mother and a couple of children, which would indicate the difference for that. Then is it the case that the municipal caseloads are not reflected in this annual report?

**Mr. Gilleshammer:** Your assumption is correct in that there are two people in that neighbourhood reflected per case which would give you 47,000 individuals.

**Mr. Alcock:** Am I also correct in noting that the municipal assistance caseload is not included in this annual report?

**Mr. Gilleshammer:** There is information elsewhere which indicates the number of cases for Manitoba and for the City of Winnipeg.

**Mr. Alcock:** Can the Minister refer me to that particular table?

**Mr. Gilleshammer:** We do not have the pages numbered but it is a little further on in that bundle.

**Mr. Alcock:** So when I look at the municipal assistance caseload here in '89-90 for the total province, \$16,584 being the monthly average, and for the City of Winnipeg, \$14,097, that in addition to the 24,000 average cases referenced in the Social Allowances Program there are another, roughly, 30,000 cases in the municipal programs? Is that a correct way to read this?

**Mr. Gilleshammer:** There would be another 19,000 cases and an additional number of people.

**Mr. Alcock:** Okay. When I come back then to the Social Allowances Program for the province and I

look at the distribution of cases among that, 295 children in '89-90. Are these children receiving support independent of their parents?

**Mr. Gilleshammer:** Yes, that is correct.

**Mr. Alcock:** How do they do that?

**Mr. Gilleshammer:** These are children whose parents are deceased and are living with a guardian.

**Mr. Alcock:** The aged in this would be people who are receiving benefits in addition to whatever federal programs they are receiving support from. I am just interested in the number of 809 aged there. Are these people too young to be receiving CPP and GIS?

**Mr. Gilleshammer:** Many of these I am told are immigrants, and they do not have entitlement to the pension plans.

**Mr. Alcock:** Would it be a fair statement then that anybody who does have entitlement to the federal pension plans, the two and then eventually our 55 Plus, would be at an income level that would not require social allowance?

**Mr. Gilleshammer:** For the most part that is correct.

\* (1620)

**Mr. Alcock:** If my math is correct, again, disabled individuals make up about 44 percent of the provincial Social Allowances Program and sole-support parents about 40 percent, and there is a category called general assistance, 6 percent. Can you differentiate the general assistance recipients for me? Who are they?

**Mr. Gilleshammer:** That group emanates from areas of the province where there is no local government to provide social assistance and would be generally employables living in that area.

**Mr. Alcock:** So then in a sense this 6 percent in '89-90, the \$1,479 would be people where if there was a local Government, a municipal Government would probably be carried short term on a municipal assistance program?

**Mr. Gilleshammer:** Yes, that is correct.

**Mr. Alcock:** The bulk of those the Minister determined as employables receiving social assistance, would those then be the people who are serviced under the municipal assistance programs?

**Mr. Gilleshammer:** Yes.

**Mr. Alcock:** Okay, there has been discussion with the previous Government and some discussion with this Government about a single-tier system. Can the Minister tell us what the current stance of the Government is and what plans they have, if any, to begin to move in this direction?

**Mr. Gilleshammer:** Yes, we have had a report on social assistance and moving towards a single-tier system. It is something that we will be discussing with municipal levels of Government, but our commitment is to move in that direction.

**Mr. Alcock:** I am sorry, has that report been tabled?

**Mr. Gilleshammer:** I am told it was publicly released.

**Mr. Alcock:** How long ago was that report made available?

**Mr. Gilleshammer:** In June of this year.

**Mr. Alcock:** Well, thank you, Mr. Minister. I would like a copy of that, if you would. It would save me going back to the library and getting one. Okay, but then when we talk about the Social Allowances Program, that is the delivery responsibility of this department. We are looking at the 44 percent of the people who are disabled and the 40 percent of the recipients who are sole-support parents. Is the policy structure the same for these as it is for everybody else on this list?

**Mr. Gilleshammer:** There is some difference in how students and general assistance recipients are treated, but the others, there is a great deal of similarity in the manner they are treated.

**Mr. Alcock:** It has been my impression, and certainly in reading the review that was done of this division by the external consultants at the time of the change in Government, that the operations within this division are fairly clear. It is an income support program and it does not pretend to offer any services to people other than assessing their qualifications for income support and then ensuring that they have that at the level at which they are approved to receive it.

I was impressed to notice that the—I believe in the sample that was drawn from the cases administered by this department, if my memory serves me right, it was an 800-case sample with 300-and-some cases that were considered to be worthy of greater investigation. Of that number, only 3 percent were determined to be somehow in violation of the regulations, less than 1 percent of

the total which is, I think, a pretty impressive record for the department.

Were those cases all drawn? Was that review simply of the provincial side of the operation, or did that include municipal cases?

**Mr. Gilleshammer:** Just the provincial side.

**Mr. Alcock:** Am I correct in my statement that this is an income support program with no intention of delivering any counselling or remedial services, that those services would be accessed through other, either divisions of this department, or other departments of Government?

**Mr. Gilleshammer:** We do have the Employment Services offered through the Human Resource Opportunity program where there is some counselling and work done with individuals.

**Mr. Alcock:** I am sorry, is it done through this division or through Employment Services?

**Mr. Gilleshammer:** Through Employment Services.

**Mr. Alcock:** In the context of this division, there are no other services offered. I am not offering that as a criticism. I am just trying to clarify the role that this division sees itself playing versus other divisions in this department.

**Mr. Gilleshammer:** The Member is correct.

(Mr. Ben Sveinson, Acting Chairman, in the Chair)

**Mr. Alcock:** The Member for Wellington (Ms. Barrett) made the case that with additional pressure on people, some through changing economic conditions and some through changing federal policies, specifically the Unemployment Insurance program, that it could be theorized that this would create more pressure on people and, therefore, an increase in the number of recipients.

I believe there is some evidence for that looking at the change in short-term recipients. At the municipal level, I believe, there was some 9 percent or 10 percent increase just recently reported.

I noticed that last year, the average monthly caseload increased some 3.2 percent, or the most recent year reported in the report versus the year before. Can the Minister tell us to what that increase is attributed?

**Mr. Gilleshammer:** This was an increase in both the number of sole-support parents and the number of disabled.

\* (1630)

**Mr. Alcock:** Mr. Acting Chairperson, it is not a new thought to suggest that changing economic times, the rising unemployment contraction and the overall amount of economic activity in the province would place stress on those people at the lowest end in the most tenuous positions who would drop out and require assistance. I trust this is something that the department has monitored in the past.

In times of relative affluence, low unemployment, and significant growth in the economy, has the social assistance caseload dropped significantly? I mean, is there a trend that tends to parallel economic development, or has the caseload inexorably crept up over the last decade?

**Mr. Gilleshammer:** That change would be reflected mainly at the municipal level.

**Mr. Alcock:** Well, if that is not the cause, the Minister told us in what areas we had increases in the provincial caseload, that what areas contributed to that 3.2 percent increase, what was the reason for it?

**Mr. Gilleshammer:** Yes, I had indicated that the increase was in sole-support parents and the disabled. For the disabled, there are more that have come out of institutions who have accessed the social allowance system. In the case of the sole-support parents, there seems to be an increase in the number of separations and divorces causing people to live on their own.

**Mr. Alcock:** It is interesting though, because the Minister and the department seem to reject the notion that changing economic circumstances increases the demand for income security at a provincial level, that that is simply visited on us at a municipal level. Yet, there has been no significant increase, an increase of less than 1 percent, in the population of the province and a 3.2 percent increase in the total caseload in the Social Allowances Program.

The Minister suggests that this has been due in part to deinstitutionalization. How many disabled people came out of institutions that created this? I mean, 3.2 percent on 24,000 is a significant number. I will work it out while you are giving the answer.

**Mr. Gilleshammer:** I am not sure the Member is drawing the proper conclusions. We have not rejected the changing economic times as being an indicator. We are saying that the greatest impact of

any difficult and economic times would be reflected more on the municipal rolls. The other point, you asked why there was an increase. We identified some of them in no particular order. It is just another factor that would be responsible for the increase and the number reflected there.

**Mr. Alcock:** Have there been forecasts, and perhaps this report contains them, of what it would cost to move to a single-tier system?

**Mr. Gilleshammer:** The cost that is reflected in that report of moving to uniform regulations between municipal and provincial social assistance recipients would be \$3.4 million.

**Mr. Alcock:** Can the Minister clarify that? Do you mean a single-tier system in this province would cost us \$3.4 million?

**Mr. Gilleshammer:** No. I am saying that if we move to a situation where we had uniform regulations that were applied to municipal recipients, as well as provincial recipients, it would cost the province \$3.4 million.

**Mr. Alcock:** What would it cost the municipalities?

**Mr. Gilleshammer:** We do not have that figure, but we will attempt to get that figure for the Member.

**Mr. Alcock:** Has there not been some sort of rough estimate, or could the Minister tell us whether it would be higher or lower than the cost to the province?

**Mr. Gilleshammer:** The estimate is that it would cost us \$3.4 million, and it would cost the municipalities in the neighbourhood of half a million dollars.

**Mr. Alcock:** I must confess I am trying to understand this. We are saying then, in rough terms—I mean nobody is going to hold the Minister accountable for this kind of estimate—but roughly \$4 million would be the cost of moving to a single-tier system?

**Mr. Gilleshammer:** It is not a single-tier system that we are talking about. We are talking about uniform regulations which would apply to all jurisdictions.

**Mr. Alcock:** We are talking about the first step toward a single system which is equity across the province?

**Mr. Gilleshammer:** The municipalities who want to be involved in this decision making and are the grass-roots delivery system prefer to be involved in

a system where uniform regulations would be applied.

\* (1640)

**Mr. Alcock:** Right, so if we apply uniform regulations we have equity throughout the province for a cost of \$4 million?

**Mr. Gilleshammer:** Under this cost estimate that was done on these recommendations, it would be in the neighbourhood of \$4 million and there would be greater equity.

**Mr. Alcock:** The difference of moving from that to what we would call a single-tier system would be the assumption of the province of the responsibility for funding the entire system, is that the difference?

**Mr. Gilleshammer:** Yes, if in fact the province took over the complete control of all funding, we would in essence have a one-tier system.

**Mr. Alcock:** What is the estimated cost of that?

**Mr. Gilleshammer:** We do not have an accurate figure for the Member at this time that would encompass taking over municipal welfare.

**Mr. Alcock:** I will accept a ministerial estimate.

**Mr. Gilleshammer:** I would estimate it to be very, very expensive in that we are assuming the costs are borne by the City of Winnipeg and other municipalities. I really do not feel comfortable just throwing a figure your way without doing a little research on it.

**Mr. Alcock:** Let us talk briefly about the City of Winnipeg then. Is the part of the City of Winnipeg grant and the support that the city receives from the provincial Government to help reduce the cost of this particular program?

(Mr. Marcel Laurendeau, Deputy Chairman, in the Chair)

**Mr. Gilleshammer:** Roughly the breakdown of those figures is the municipal level pays 20 percent; the provincial level, 30 percent; and the federal Government, 50 percent.

**Mr. Alcock:** I did miss it. Would the Minister mind repeating that for me?

**Mr. Gilleshammer:** Not at all. The municipal level costs are 20 percent; the provincial level, 30 percent; and the federal level, 50 percent.

**Mr. Alcock:** So in reality what the province would be assuming is that 20 percent that is currently paid

directly by the municipalities and comes from the municipal tax base.

**Mr. Gilleshammer:** Yes, using that formula, that is correct.

**Mr. Alcock:** I would be interested, when the Minister has time to generate that number, in seeing what it is. Okay. Can I move on to a couple of other questions then?

The current annual support for a single person under the provincial Social Allowances Program, what would the annual rate be? What would that work out to?

**Mr. Gilleshammer:** For one adult person, taking into consideration their shelter and other benefits, the annual amount is \$6,145.40.

**Mr. Alcock:** The same figure for a family of four?

**Mr. Gilleshammer:** One adult and three children it is \$14,477.60.

**Mr. Alcock:** Can the Minister tell us what the current poverty line is for a single person and for a family of four?

**Mr. Gilleshammer:** The figure I gave you did not include the tax credits which would bring it up to \$18,500.00. The low-income cutoff for a family of four is \$24,706.00.

**Mr. Alcock:** What is the tax credit impact on a single person and, conversely, the low-income cutoff?

**Mr. Gilleshammer:** The additional tax credit for one person is \$785, bringing that up to \$6,009.00. The low-income cutoff is \$12,148.00.

**Mr. Alcock:** This is an interesting discussion. I have heard this discussion in a number of different arenas and certainly looked at a variety of attempts to forecast the low-income cutoff, although the Minister has chosen one that is adequate for the discussion. Why is there such a difference between what we define as the poverty level and the level of support we provide for people?

\* (1650)

**Mr. Gilleshammer:** Well, I discussed this with the other critic earlier that it is very difficult to establish that low-income cutoff because, for instance, it tends to use a comparison of, in one instance, major cities. The cost of living, it could be argued, in Winnipeg is less than that in Toronto. Whatever you use there are a variety of ways of arriving at that

low-income cutoff. As such, I suppose it becomes a number that is open to some question.

**Mr. Alcock:** It is interesting though, as I look at it, that given the numbers that the Minister gave us, even with the tax credits in, the \$6,900 as a percentage of 12.148, that is roughly 56 percent. I have here a study of the disabled on income security that suggests that two years ago, the single person was receiving roughly 62 percent of the low income cutoff—Manitoba 61.8 percent. It seems that in Manitoba we have lost considerable ground or we are talking about radically different figures.

**Mr. Gilleshammer:** I gave you figures earlier showing the increases in social allowance through the 1980s. Our commitment has been to increase that particular payment at the cost of living, which we have done.

**Mr. Alcock:** The Member for Wellington (Ms. Barrett) referenced, and I would like the Minister to review, why it is that the various other allowances that are provided by the department are not also increased at the rate of cost of living?

**Mr. Gilleshammer:** Could you just clarify the other allowances that you are speaking of?

**Mr. Alcock:** Let us start with the special needs allowance, which the Member for Wellington had indicated had not been increased from its current level since, I believe she said the mid-'60s. The documentation I have here suggests something a little more recent than that, but let us not quibble over when it was started. Let us just ask the question, why are these allowances not also increased when there is a year-over-year increase determined, why are these other allowances not also increased?

**Mr. Gilleshammer:** The Member is correct in terms of special needs and special diet amounts, although there is some flexibility to review those on a case-by-case basis.

**Mr. Alcock:** Before we deal with the specifics, and I do want to talk about a number of specifics in this policy. What I do not understand, and I have never understood this, and it is not a product of this particular Government but a product of this program, is that we have a basic support rate, and we recognize that year-over-year inflation exacts a toll. Therefore, the Government has chosen to give an increase of something slightly less than the rate of inflation in an attempt to keep up with the problems that people incur because of high inflation. Yet all of

the other rates that surround the support we provide people are not similarly increased at least to reflect the inflationary increases that those other services incur, whether it be in exemptions that are allowed people or in supports that are provided for people. I am just wondering in a general sense why the policy is not to apply that annual rate of increase across all the supports that are provided to people. Why would we not do that?

**Mr. Gilleshammer:** We have increased the base rates, and that is what we have been talking about. Most other rates are increased or can be increased on a discretionary basis by the worker where there is a need.

I think what we are talking about is the total number of dollars that are put into the program. Earlier, the critic for the other Party was indicating that we should increase the amount of dollars by 30 percent. It simply is not realistic for us to do that. We are talking about the ability we have to increase the amount of funding that is put into this particular area, and the amount that was deemed possible this year was a 4.5 percent.

**Mr. Alcock:** Well, Mr. Deputy Chairman, one of the reasons why the Member for Wellington (Ms. Barrett) may talk about the need for a 30 percent increase is that we are in this position now where a number of the supports that were put in place to surround the basic rate simply were not increased year over year. The discussion today is not so much who did what, when, but why that did not occur?

Perhaps if it had, perhaps if all these rates and exemptions had kept pace with the changing economic conditions in the community, we would not be in the position today where we need a 30 percent increase, but we did not.

**Mr. Gilleshammer:** The Member is also on record then as advocating for a 30 percent increase for these basic rates. I am simply saying because of the debt load that we are carrying and the pressures to increase funding for other things such as highways, we simply do not have the funding available to put a 30 percent increase in place.

**Mr. Alcock:** The Minister can play with placing words in my mouth as well as the Member for Wellington (Ms. Barrett) as much as he wants. It does not change the fact that he has yet to explain why the policy of this department has been to not increase at the rate of inflation—not 30 percent—at

the rate of inflation the various allowances and exemptions that also are a part of this program.

**Mr. Gilleshammer:** Throughout the 1980s, historically, the base rate is the rate that has been increased, and we have continued to do so. There is some discretion with the other amounts that workers can use. We are simply following the historical practice that has been in place. If the Member is saying that we should look at another way of doing that, we will take his urgings into consideration.

**Mr. Alcock:** Well, it is interesting because the Minister talked earlier about a gap in the level of support, and one of the ways in which that gap seems to arise is all the other supports that at one time were put in place in this program, have simply been allowed to fall behind. Had we been looking at modest increases in the order that had been provided in the program in past years, perhaps there would not be this tremendous shortfall at the current time.

It just has always been a puzzle to me why this department has not kept those rates current. It is recognized they need to keep the base rate current and why an additional 4 percent, 3.9 percent or 5 percent, depending on whatever the rate of inflation was not applied to that.

I am just wondering if the Minister can determine, rather than blindly following the past practices of a discredited Government, why he is not striking out on his own and at least explaining why he has chosen to follow that regressive policy?

**Mr. Gilleshammer:** I have indicated that we would take the Member's recommendations into consideration, and I am obviously not in a position where we are going to change anything. The Member has made a point, and I am reporting to him that we have heard what he has said.

\* (1700)

**Mr. Alcock:** Let us just look at some of these just to try to get a sense of the magnitude of this. Can the Minister tell us—this is a question more relative to the staff than it is to the recipients at this point—but when staff in the department travel, what sort of support are they given for the three meals that they have, breakfast, lunch and dinner? What is the per diem rate they are allowed to charge?

**Mr. Gilleshammer:** They would receive the Government rate that is applied across Government.

**Mr. Alcock:** How much would that be?

**Mr. Gilleshammer:** We would have to seek the general manual on rates and administration to look that up, but we could do that and give the Member that information at a subsequent time.

**Mr. Alcock:** I suspect, Mr. Deputy Chairperson, if one was to move relatively quickly, one could find that information out while we are still discussing this division, and you might add to that, the meal allowances and the per kilometre support for travel. If you could get those two things for me now, then I will continue with questioning on some other area and we will come back to that.

**Mr. Gilleshammer:** We will attempt to get that information for you. I suspect the Member may even have an idea in his head about what that rate is and he could go on with his point, but we will try and get that information for you.

**Mr. Alcock:** I just note that as I go through the various policies from the Income Security administrative manual that we have this same circumstance occurs over and over. Special needs has not increased significantly over the years, and the Minister has indicated that individual workers have discretion in that. Can the Minister tell us what that discretion is?

**Mr. Gilleshammer:** On a case-by-case basis, if there are extraordinary needs that a household has, they can be approved by a worker.

**Mr. Alcock:** Up to what level?

**Mr. Gilleshammer:** Up to \$500.00.

**Mr. Alcock:** What would be the circumstances that would lead to this case-by-case \$500 per case consideration versus the amount that is allowed in the regulations?

**Mr. Gilleshammer:** This item is at the worker's discretion. If the worker determines there are extraordinary needs, special needs deemed to be essential items not specifically covered by other benefits of the program, such as appliances, furniture, bedding and school supplies.

**Mr. Alcock:** So that a worker has discretion, and we know by discretion that an individual worker can approve these exceptional allowances, or is it something that they have to take up with their

director, or does it come up to the divisional director. I mean, how much discretion does a local worker have?

**Mr. Gilleshammer:** The worker can approve those discretionary items up to \$150, and the director makes that determination up to \$500.00.

**Mr. Alcock:** Up to \$150 per item to a maximum of \$500, or \$150 per instance?

**Mr. Gilleshammer:** That is per year, \$150 for the worker and \$500 for the director.

**Mr. Alcock:** To any one recipient. I note one here, there is a provision here for an age-of-majority allowance, which in the document I have referenced here E1210101, which was issued June 1, '85, and it talks about an allowance that a child who has been in the care of a child caring agency can receive upon turning 18. The amount referenced is \$536.16. Is this currently the policy that is in place?

**Mr. Gilleshammer:** The information that the Member is putting forward may not be current information. We would have to check to see the date on that.

**Mr. Alcock:** Well, that is the very question I asked the Minister. Is this the current amount and, if not, what is the current amount for the age-of-majority allowance?

**Mr. Gilleshammer:** We will take that as notice and get that information for the Member.

**Mr. Alcock:** I am a little surprised that we do not have the current policy of this department available at the time we are reviewing this department in Estimates. I mean, surely we would have thought that we might ask a question on some of these things.

\* (1710)

Let me ask the question then on the policy that is underlined in this. Is it the intention—is this age-of-majority allowance applied as income when calculating a person's receipt of social allowances upon attaining the age of 18?

**Mr. Gilleshammer:** I am told that it is exempt.

**Mr. Alcock:** Now then, the Minister has indicated that this amount of \$536.16 may not be the current amount. In the absence of any other amount, it is a little difficult to understand why an amount like this is not increased year over year. Here is another example of an amount of money that was put in place to facilitate a child who reached the age of 18

moving into independence, yet each year that it is not increased simply hinders them that much more. It is another one of the areas I would ask the Minister to look at when he is trying to determine what policy to apply to increasing the overall range of supports that are available to people.

I have yet another question. When we look at the support available to a disabled person, the liquid assets test that was in place in 1988, can I ask the Minister what is the level of liquid assets that a person applying for income security or social allowances is allowed to have?

**Mr. Gilleshammer:** It is \$400 per person up to a maximum of \$2,000 per family.

**Mr. Alcock:** That is interesting because that is exactly the amount that is referenced in this report on income security which is dated 1988. At that time it was also \$400, and Manitoba was the lowest in Canada with the exception of the Northwest Territories which, as indicates here, was discretionary. Newfoundland was \$3,000, Prince Edward Island \$900, Nova Scotia \$3,000, New Brunswick \$1,000, Quebec \$1,500, Ontario \$3,000, Saskatchewan, our wealthy neighbour to the west, \$1,500, Alberta \$1,500, British Columbia \$1,500.00. Why has Manitoba chosen to treat our disabled so much more severely?

**Mr. Gilleshammer:** That information is applied to all social allowance recipients, I believe, not simply to disabled. We have increased the amount we have spent on the program substantially in the last three years. Again the Member is wanting us to spend more. I can tell you that the increases have been larger than they were in the mid-1980s. The question is how much more do you want us to spend? If it is 30 percent, that simply is not possible.

We have followed a procedure of increasing the social allowances, this safety net program we have for citizens in the province, at or above the cost of inflation. The Member can come at it from whatever direction he wants. You are asking us, at a time when revenues are not rising as fast as they had previously, to spend more money on this. A decision has been made to increase it by 4.5 percent for 1991, and that decision has been made. We hear what the Member is saying, that you think it should be more, or that you can come at this situation from different angles, but the fact is that is the number we have arrived at.

**Mr. Alcock:** The Minister chooses to drop back into his standard tape of, "oh, what a wonderful Government we are." I started off asking him questions about the policy in the department referencing a period of some 10 years and asking why? Very simple question, why the policy structure had not been developed in such a way as to provide modest increases to these allowances and exemptions year over year, so that we would not be faced with the situation where we treat our disabled people in this province, at least on one test, much more severely than other provinces in this country, who presumably are suffering.

When we look at the Province of Saskatchewan, or the Province of Prince Edward Island, or Nova Scotia, or New Brunswick, or Newfoundland, they have not been exactly rushing ahead of us in terms of growth of their provincial revenues, and yet they allow a liquid assets test that is seven times, in the case of Newfoundland, more generous than that allowed by the Province of Manitoba.

I am not necessarily, at this point, although that I suppose could change, condemning the Minister for action he has taken in this year. I am simply asking the question of why, when you look at the year-over-year increases in this department, these things are not considered for COLA increases the same way the base rate is?

**Mr. Gilleshammer:** I can tell you that year-over-year increases are something we do consider. When you look at the increase in the program, including the increase in the shelter costs, plus the increase in the volume, there has been a cost to Government, a considerable cost. In this particular year, it is projected to be 12.4 percent. Last year that cost was 9.2 percent, the previous year 8.9 percent.

We are talking about the cost of social assistance programs to Government by taking into consideration not only the base rate increases, but the shelter increases plus the volume increases. I am saying there is a cost to Government year over year that exceeds the amount of increase that we are talking about, that reflects the cost of living. That is a real cost to the taxpayers of this province, to Government, to generate in this time when we are paying such high interest costs. This is a real cost to Government, and we have to get that money from somewhere.

What you are suggesting is that there are different ways of looking at this increase. Perhaps if we increase some of the special supports, that maybe we would not have to increase the base funding at the same rate, but we are looking at the total cost to Government.

**Mr. Alcock:** I am beginning to have this sinking feeling that we can have this discussion for some long time, and the Minister has indicated that he is prepared to review the policy. I am not suggesting that by focusing on this particular item, this one item in exclusion of all others, that all of a sudden we would solve the problems the recipients of these programs face.

I am suggesting that had we paid more attention to the number of special allowances that are available and they had kept pace with inflation, that we would not be in as severe a situation today as we currently are. I think it is shameful frankly that a province such as Manitoba treats people in these programs so much more severely than do other provinces.

The Minister just gave me an interesting figure though. He said that the year-over-year increase when you considered volume, I believe the figure was a double-digit figure, and that seems to be somewhat at odds with the annual report. Can he tell us what the volume increase is?

**Mr. Gilleshammer:** Yes, the figure that I used from our Estimates book was 12.4 percent. This includes a basic rate increase of 4.5 percent; a volume increase of 4.7 percent; a shelter increase of 4 percent; and other rates that are also going up, and it means year over year, that line has increased and the cost to Government has increased by some 12.4 percent.

**Mr. Alcock:** So the Minister used a volume increase of 4.7 percent, but then the annual report says 3.8 percent?

**Mr. Gilleshammer:** This is this year's projected increases.

\* (1720)

**Mr. Alcock:** In the interest of time and rather than going through each one of these policies, from the administrative manual, line by line, can the Minister tell us what the current special needs rate is?

**Mr. Gilleshammer:** The special needs rate is \$150 per family unit.

**Mr. Alcock:** Excess special needs?

**Mr. Gilleshammer:** Up to \$500 per family unit.

**Mr. Alcock:** That \$500 is the same \$500 we referenced upon approval by the director?

**Mr. Gilleshammer:** That is right.

**Mr. Alcock:** When was the last time that special needs allowance was increased?

**Mr. Gilleshammer:** We do not have an exact date. It was some time ago.

**Mr. Alcock:** Two decades ago?

**Mr. Gilleshammer:** That is possible. It was some time ago.

**Mr. Alcock:** On the exemptions side, the exemptions for work or earned income, when was the last time that was increased?

**Mr. Gilleshammer:** Again, it probably was some time ago.

**Mr. Alcock:** More than two decades ago?

**Mr. Gilleshammer:** It could be prior to the 1980s. It could be longer.

**Mr. Alcock:** I am not going to belabour the point. I think the facts speak for themselves. The Minister has undertaken to see that policy is reviewed, and I would encourage him to do so. I think, once again, relatively modest increases in those exemptions and allowances would not bring us to the situation where we are today, where individuals in Manitoba receive significantly less benefit from this provincial Government than do individuals living in other parts of Canada.

**Mr. Gilleshammer:** We have undertaken to take seriously all the comments you have said, and we will be looking closely at the transcript and taking seriously suggestions that have come from the critics and ideas that have come forward in these Estimates.

**Mr. Deputy Chairman:** Item 5—

**Mr. Alcock:** Oh, no, we have a few more questions, Mr. Deputy Chairperson. Nice try.

The policy structure that is in place relative to people who are accessing social allowance, is this instructive at all as to where people shall live; or are people, if they are able to access housing within the amount of support that is provided by the department, free to live wherever they choose?

**Mr. Gilleshammer:** Yes.

**Mr. Alcock:** Is there any attempt at all at times to determine for an individual the appropriateness or inappropriateness if a person should, for example, decide to move into shared accommodation and live with another individual? Is there any attempt on the part of the department to approve or disapprove of these things, or is their only consideration the amount of financial support the person is going to require in order to affect them.

**Mr. Gilleshammer:** I am told the only consideration is financial.

**Mr. Alcock:** It is interesting, and I will raise it just for information. I have three cases in my office, one of which I have proceeded with the Minister's office and it was successfully resolved, where people are claiming just the opposite. They are claiming that, in fact, income support workers have passed a judgment on the appropriateness of the living arrangement that the person determined, despite the fact that the financial commitment was the same as was currently being incurred, so I would ask the Minister to see that position of the department is made known to all of the staff who work in the department.

**Mr. Gilleshammer:** We would be most anxious to review those cases which have come to the attention of your office, because it is contrary to our policy.

**Mr. Alcock:** I appreciate that from the Minister, and I can say that as I have raised cases to the department, the department has been very quick to respond. I think they certainly do not agree with each case we get brought forward, nor should they, but they are certainly quick to see that the appropriate policy is applied. It is interesting, on this particular one, the frequency with which it has come up recently. I had an elderly woman phoning me, telling me that she was told she could not live with an elderly man because they were not married. I thought that was something that we had moved beyond in this decade but, anyway, that is something that I was certainly not prepared to pass an opinion on. I suspect the department should not either.

Two things then, the Minister has referenced, with some pride and I think he should, the department's policy not to recover the GST tax credit, nor to include it in the income calculations which are used to determine base income. I have said publicly

before I thought that was an appropriate policy and the department should be congratulated for it.

One of the concerns that was raised about the goods and services tax and the availability of the credit is that people on low income are often highly mobile and so there is not just the existence of the credit, but also the availability, and the ability to actually access it. Is the department undertaking any activity to ensure that people who are eligible for these credits will in fact receive them, or is that the responsibility of the individual?

**Mr. Gilleshammer:** I think, first and foremost, that is the responsibility of the individual. I do not think that we anticipate that we are going to have a problem in that area, but with a lot of things that surround the GST, I think there are a lot of question marks. It is not deemed to be a pending problem.

**Mr. Alcock:** Another issue that was raised just recently and, frankly, to the surprise certainly of myself, I do not know about others, was the willingness of the department to provide income security payments on a biweekly basis. Like a number of apparent policies of the department, this is not something that is made available to all people, or at least if it is made available to all people, it is only made available upon request. It is not part of a widely accessed, or at least widely advertised, service that the department operates.

So, a couple of questions on this. Is it the policy of the department to deliver income security payments on a biweekly basis?

**Mr. Gilleshammer:** There are individuals who, at their request, access payments on a biweekly basis.

**Mr. Alcock:** Is that available to any recipient who requests it?

**Mr. Gilleshammer:** That service is available to those who request it.

**Mr. Alcock:** How do people become aware those services that are available to them?

**Mr. Gilleshammer:** They may become aware of that in consultation with their caseworker.

**Mr. Alcock:** Given the multiplicity of programs and services and rates, I have seen the income security pamphlet that is put out and I do not recall this being referenced in that, that bit of information. Is it in that pamphlet that is given to recipients?

**Mr. Gilleshammer:** No it is not in that pamphlet.

**Mr. Alcock:** Why would such information be withheld?

**Mr. Gilleshammer:** The information is not withheld. There is a slip of paper that is included in the envelope which indicates the rate change and also indicates there that payments can be accessed on a biweekly basis. I would tell the Member one other thing, that there are some who have moved to that mode of accessing their payments who have asked to be moved back again, because they preferred to get the full payment at the time they receive their cheque.

\* (1730)

**Mr. Alcock:** I am not, at this point, offering any comment on the advisability of either move, just that if certain opportunities are available to some people in the program then theoretically they should be available to all people. People should be aware of what rights they have under the program. Let me ask, is the excess special needs rate of \$500 in that pamphlet?

**Mr. Gilleshammer:** There is a lot of general information provided in the pamphlet, and much more information is provided in some detail by the caseworker. That is one of those items.

**Mr. Alcock:** There are a list of entitlements that people have under this program. The question is, why are they not made available?

**Mr. Gilleshammer:** The information is provided under special needs and, again, there is a whole host of variables which make up the manual, but there is reference to it under special needs.

**Mr. Alcock:** Reference to the amount and the criteria upon which it is accessed?

**Mr. Gilleshammer:** No, we do not go into a lot of detail there, but that information is provided by the caseworker.

**Mr. Alcock:** Why is the detail not generally made available? It is a very straightforward system. When one reads the administrative manual, you have X amount of money in a variety of categories. Why are people not made aware of what is available to them?

**Mr. Gilleshammer:** I can tell you what is indicated here. I do not know whether you have a copy of Under Special Needs. It indicates that special needs funds are available for essential items not specifically covered by other parts of the Social Allowances Program, and these funds are normally

limited to \$150 per household in any fiscal year. However, this limit may be exceeded in the exceptional cases with special approval.

Special needs funds are often used to purchase or repair household items such as appliances, furniture, bedding, and school supplies. There is some reference to it there. If the Member is asking that we go into more detail, the pamphlet is already, as pamphlets go, a fairly extensive one. The more detail you put into it, the larger the pamphlet becomes. I think my sense is that a number of recipients rely on their workers to go through that with them and to provide them with any additional information.

**Mr. Alcock:** I can tell the Minister, and I want to say this without expressing any sort of concern about the quality of work done by individual workers, because I think by and large that they do pretty good work, but with a caseload on average of 240 it is damn difficult to get a hold of them. Anybody who has attempted to phone local offices will find that they spend a considerable amount of time on hold. I have had that experience.

I can talk about other Members who—we did it once just to run tests on how long it took us to get ahold of a worker. I am sure the workers are occupied doing legitimate tasks, but with a caseload of 240 cases, pushing the recipients to rely on their workers may just create a real problem for them, quite a serious problem. I do not fault the workers for one second. There just simply has not been enough support to allow them to intervene on behalf of their clients.

**Mr. Gilleshammer:** I am pleased to hear the Member make favourable comments about our staff. I had the opportunity to visit an allowance office in Dauphin -(interjection)- well, the Member laughs about it. I think it is an important part of my education to visit a number of offices and groups.

Before I was distracted, what I was going to say is that it seems to me the relationship that I observed between clients and workers was a positive one. I am pleased to hear the Member speak favourably of these workers. There will be times in any office situation where people are busy than at other times. I would say that sometimes people have to recognize that and be somewhat patient. The caseload of a worker is not one where all current cases need attention at the same time or at the same month. I think workers have to be sensitive of

the needs of their clients and provide the best service they possibly can.

**Mr. Alcock:** Well, I would certainly agree with the Minister on that, and I do not mean to be the least bit facetious about the travelling he is doing. I think it is an important task that he has undertaken, and I am pleased he is getting out, because he will indeed get an education. It does seem each time we talk about a particular area the Minister recently has visited there. I am interested actually in his travel costs and per diem rates, but we will talk about that last. Actually, we will pass on that, because I think it is money well spent.

I would like to talk a little bit about the 55 Plus and the CRISP program though. To start off with, it is just to note the drop in 55 Plus. Now 55 Plus is available to people, as I understand the program, who are of low income, but particularly in the case of elderly persons. If you are receiving simply CPP or OAS and GAIS, then you would become eligible for 55 Plus. Now there is a lower uptake. It says in the note in the Supplementary Estimates, adjustment in the budget provision to reflect a lower than anticipated caseload in '89-90. Can the Minister explain why we have a lower than anticipated caseload?

**Mr. Gilleshammer:** Yes, there is a sense that there was an overestimation of the need for 55 Plus, that at one time there was a greater concern about elderly people and the amount of income that they were accessing, but with guaranteed income supplements and the maturing of the CPP, it appears that there is not as great a need, and as a result the uptake of people accessing this program has lessened.

**Mr. Alcock:** Can the Minister just review quickly how eligibility is determined. Would this be taken off income payable or one's income tax statements filed with the federal Government—not the statement, but the information used in it?

\* (1740)

**Mr. Gilleshammer:** The individuals between 55 and 65 have to fill in an application and there is an incomes test. Applicants 65 and over, that information is available through the federal Government.

**Mr. Alcock:** In the developing of that income test, there have been significant changes in the income tax system on the federal side including the deindexing of the basic tax credits or the tax

deductions. Has that had any impact on the accessing of the eligibility of 55 Plus?

**Mr. Gilleshammer:** The feeling is that the deindexing of the Old Age Security has not been a problem.

**Mr. Alcock:** Yes, it is not simply the deindexing of the Old Age Security but also the change in the base income calculation. Would that also be the case with CRISP? Is there any relationship or any impact from the determination of total income that would account for the drop in CRISP? It is a rather significant drop. Is this simply another overestimation?

**Mr. Gilleshammer:** The feeling is, it was an overestimation.

**Mr. Alcock:** Has that been the pattern in the past, that we overestimate, or was there some reason in this particular year that we overestimated?

**Mr. Gilleshammer:** Yes, that overestimation has occurred the last several years.

**Mr. Alcock:** So each—I will not even bother with the question. It is okay.

A final question then, in the social allowances system you have a huge data base that has been built up as the social allowance information system has been accumulated. We talked about that under Information Systems. Is that data base available to qualified researchers who are doing research in income security programs? If somebody meets the test of confidentiality and is prepared to provide sufficient documentation and sign all the guarantees and such, is the department prepared to make the information that it collects available to, say, a bona fide university researcher?

**Mr. Gilleshammer:** It has not been made available.

**Mr. Alcock:** Is that just a current policy position of the department, or is there some other reason for taking that position?

**Mr. Gilleshammer:** That is the current position.

**Mr. Alcock:** If a person wished to ask for a reconsideration or something, they would simply approach the Minister's office, and is it within the purview of the Minister to change that policy?

**Mr. Gilleshammer:** The Member would well know that there is a lot of very sensitive information there that we are bound by existence of confidentiality guidelines. If the Honourable Member is feeling like doing some research we would certainly consider

the request, but at the present time the answer is no.

**Mr. Alcock:** I thank the Minister for that, and I may indeed be considering such research but not for some time to come. I am prepared to pass this.

**Ms. Barrett:** I have two questions—information. When I asked the Minister earlier to table, which he did, the social assistance increases for the years of 1983-89, I neglected to ask him if he could also table the consumer price index figures for those same 10 years. I am wondering if that is available now? If it is not, I will—

**Mr. Gilleshammer:** We could provide that information for you.

**Ms. Barrett:** One other question that I—on the disabled situation—mentioned several times. There were situations where special needs did not appear to be taken into account for people who are disabled as opposed to people who are able-bodied. In one particular instance, the clothing allowance for all social allowance recipients—my understanding—is the same whether you are disabled or able-bodied.

I am wondering if the Minister can comment on that? Is there any indication that type of regulation using clothing as an indicator for disabled will be taken into account, so that additional funds might regularly—rather than needing to access the special needs account—be added to their income?

**Mr. Gilleshammer:** At the present time it is considered on a case-by-case basis.

**Ms. Barrett:** First supplementary to the Minister: Would the Minister be willing to add that to his list of items that he would be prepared to discuss with members of the community?

**Mr. Gilleshammer:** I have indicated that staff would meet with groups and would take into consideration items that were presented.

**Mr. Deputy Chairman:** The Honourable Member for Osborne.

**Mr. Alcock:** The Member for Wellington is still asking questions. Let her finish.

**Ms. Barrett:** I thank the Minister for that. I just wanted to get on the record that there were issues of concern that I hope will be able to be dealt with. Thank you.

**Mr. Alcock:** Just a couple of quick things. Did the Minister get that information on daily meal allowances and travel rates?

**Mr. Gilleshammer:** This is the negotiated Government rate in effect March 1, 1990. Breakfast is \$4.50, lunch is \$6, and dinner is \$10.50. Mileage costs in the South up to 10,000 kilometres is 26.6 cents per kilometre and over 10,000 kilometres is 20.9 cents.

Those are the rates that have been negotiated by Government employees.

**Mr. Alcock:** I just note for the interest of the Minister that allowances are also available to recipients if they are away on approved circumstances. Some of the things are medical treatments and other such services that are under the discretion of the district director, but instead of being \$4.50, \$6 and \$10 they are \$3.60, \$5 and \$8, considerably lower than what we allow for our own staff.

\* (1750)

Similarly, where recipients are able to provide transportation for such approved, such as health appointments and such, they are able to claim 15 cents per kilometre versus 26.6 cents, which we pay for our own staff. It is another apparent example of how we allow these rates to fall behind that which we provide for our own needs within our own department.

I just notice one final thing, that people on Income Security are able to access freedom of information, and there are fees attached to freedom of information. Are these fees charged to Income Security recipients?

**Mr. Gilleshammer:** I am told that the fees are paid for social allowance recipients.

**Mr. Alcock:** If somebody is accessing—using freedom of information to go into this department, then who are we paying the fee—are we just paying the fees to ourselves? Why would we charge a fee?

**Mr. Gilleshammer:** In effect the fee is waived.

**Mr. Deputy Chairman:** Item 5.(a)(1) Salaries, \$1,140,600—pass; (2) Other Expenditures, \$613,500—pass.

Item (b)(1) Salaries, \$7,829,300—pass; (2) Other Expenditures, \$2,835,000—pass; (3) Financial Assistance, \$249,279,200—pass.

Item (c)(1) Salaries, \$669,500—pass; (2) Other Expenditures, \$203,100—pass; (3) Financial Assistance, \$14,850,000—pass.

Resolution 51: RESOLVED that there be granted to Her Majesty a sum not exceeding \$277,420,200

for Family Services for the financial year ending the 31st day of March, 1991—pass.

Item 6. Day Care, Youth and Employment Support (a) Administration: (1) Salaries, \$342,600.00.

**Mr. Gilleshammer:** Yes, I would like to introduce the staff from Day Care, Youth and Employment Support Division. Tannis Mindell is the Assistant Deputy Minister sitting at the table, and next to her is the Director of Child Day Care, Gisela Rempel.

**Mr. Deputy Chairman:** Item 6.(a) Administration: (1) Salaries \$342,600—pass; (2) Other Expenditures \$117,800—pass.

Item 6.(b) Child Day Care: (1) Salaries \$1,679,800.00.

**Ms. Barrett:** Mr. Deputy Chair, I have a couple of questions on the expenditure items, which I will undertake at this time considering the lateness of the hour. I notice the difference between the actual report of the division and the '89-90 annual report and the Adjusted Vote. There is a difference of one manager between the Adjusted Vote and the annual general report. I am wondering if the Minister can explain that?

**Mr. Gilleshammer:** We are not sure which numbers you are referring to. Can you be more specific?

**Ms. Barrett:** Could I pass on that question and come back to it tomorrow, because I am having trouble locating my documents as well?

In the total salaries, maybe if I could go to the total salaries. In the annual report the total salaries were \$1,441,120, and in the Adjusted Vote it is \$1,604,900.00. Could the Minister explain the difference in that, the underspending of salaries?

**Mr. Gilleshammer:** Yes, I am told there has been a transfer in of some staff that accounts for the increase in that number.

**Ms. Barrett:** At the risk of doing the same thing that I did yesterday when I was comparing the draft annual report and the Adjusted Vote, my reading of the draft annual report which is the final figure, am I accurate in that? The total salaries in the draft annual report is a million, four and change. In the Adjusted Vote in the extended Estimates Book it is a million, six, so I am assuming that staff were not transferred in. There is a significant reduction in salary expenditures from the information we have in our Adjusted Vote to the actual.

**Mr. Gilleshammer:** Yes, it is the other way around. There are additional staff taken into account in that line, and the Adjusted Vote is one million, six. That reflects an increase of five staff.

**Ms. Barrett:** Mr. Deputy Chair, so those five staff have been transferred in from where?

**Mr. Gilleshammer:** From other places within this department.

**Ms. Barrett:** So there was not actually an increase in the overall budget of the department? It was just a movement of money and positions?

**Mr. Gilleshammer:** That is correct.

**Mr. Deputy Chairman:** The hour being 6 p.m., committee rise.

## SUPPLY—ENVIRONMENT

**Madam Chairman (Louise Dacquay):** Order, please. The Committee of Supply dealing with the Estimates of the Department of Environment will come to order. We are on page 54, Clause 1. Administration and Finance (c) Planning and Innovation: (1) Salaries, \$434,700.00.

**Mr. Paul Edwards (St. James):** We are on 1.(c). I just have a couple of questions.

Madam Chairperson, I wonder, so we can be clear, has the Minister indicated that we are going to discuss the Environmental Innovations Fund at the end of the process or is today—after last night is he prepared to answer some of the particular questions about the Innovations Fund which we had raised last night?

**Hon. Glen Cummings (Minister of Environment):** I would prefer to answer at this juncture the questions related to the Innovations Fund portion that we administer through the Department of Environment and answer the larger questions. I will not limit the questions in terms of going back to questioning a second time about what we administer within the department. I prefer to answer the larger questions of the income and the allotment of the funds out of the Innovations Fund under the Innovations Fund itself.

I have the information here to table for my two critics, the projects that I listed last night that have received funding through my department. I can expand further on the Environmental Innovations Fund after we have finished the Department of

Environment so we can handle it more concisely if you would proceed that way.

**Mr. Edwards:** I thank the Minister for that clarification. We have just been handed the list of total allocations under the Department of Environment from the fund as I understand it. Can the Minister indicate, the \$40,000 cap, where that number came from and whether that cap applies just to the Department of Environment allocations or to the Innovations Fund as a whole?

**Mr. Cummings:** It is an arbitrary number the Department of Environment has applied to our portion of the fund that we administer, but it is not a rule that would necessarily apply to what other departments may choose to do.

**Mr. Edwards:** I note that on the projects listed there are some in excess of \$40,000.00. Were those prior to the arbitrary limit being put on or are those over two fiscal years?

**Mr. Cummings:** Those are where it had occurred over two years. Just a minute, I will get some further information.

For example, the RRI is a total of two amounts. The other two that you will see, the radon initiative and the Recycling Action Committee process are initiatives that exceeded that limit, but because of the broad scope that was required to deal with those initiatives that were new to the department, and we were developing as a Government an approach that would be appropriate in terms of management of the Environmental Innovations Fund, those were two of the first areas that money was put into.

It is since that time that we realized that we could have a better impact, we felt, on the community to make sure that the projects were community driven and innovative. As you would quickly deduce, the radon and the Recycling Action Committee both were community-related but they were departmentally driven. That has since also been scoped out of how environmental innovation funds would be spent.

**Mr. Edwards:** Madam Chairperson, the Minister has indicated that the \$40,000 limit—he has been candid and called it arbitrary. I see these two, the department radon initiative and the Recycling Action Committee contracts, both well in excess of \$40,000.00. I wonder if the Minister can indicate why you would want to hamstring a fund like this, and the administrators of a fund like this, to \$40,000.00?

I do not say that the vast majority may not be under \$40,000, but it seems to me to be prejudging what will come up, and what the scope of those projects will be, to say absolutely you cannot go over \$40,000.00. There may well be projects which deserve, because of their scope, importance and innovativeness, larger amounts of money. Can he foresee that type of project coming up again? Is the \$40,000 limit an absolute limit or is it in some circumstances—can he contemplate that it would be exceeded?

**Mr. Cummings:** I chose the word "arbitrary" intentionally. I also put on the record last night that I felt that we were capable of looking at projects that came forward on an individual basis, but that we did not contemplate exceeding that amount because we wanted to stimulate activity on quite a broad base. The Member may very well be referring to the fact that RRI has indicated that they expected and were told they would not get as much money as they had asked for.

There is a further aspect to this that needs to be considered when you look at dollars, or look at dollars over a number of years. The other criteria, which was I believe very important in conceptualizing how this fund might work, is that it is not intended to be a source of ongoing funding for a program. It may have more than one year, but certainly it is not contemplated to be a continuous source of funds for a project. In other words, it has to be innovative and has to show some sustainability after it has begun.

\* (1440)

**Mr. Edwards:** Perhaps I missed the Minister's response on the question of whether or not he can conceive of a project, an application, getting in excess of \$40,000 in some circumstances. I may have missed that, but perhaps he could be clear in response.

**Mr. Cummings:** I will try and restate it as clearly as I can. I said that I chose the word "arbitrary" deliberately, but I also put on the record last night and again, I believe, just a moment ago, that we are certainly prepared to look at individual applications that come forward. The arbitrary \$40,000 limit is not likely to be breached unless there was very good reason to do it.

There is a reason to look at not putting all of your money into one project or putting an inordinately large share of your money into one project and that

is to stimulate a variety of approaches, particularly when you are talking about innovations. We are not talking about reinventing the wheel every three or four months. We are talking about getting people and community projects to be brought forward that are environmentally beneficial.

It is certainly expected that they would go far beyond just the concept of recycling. The interest to date, in the last two years is very much in the recycling area. We have encouraged that in a sense that we have committed ourselves to spending a million dollars over the period of time to promote and bring recycling up to speed in this province, but there should be a clear understanding that there are a number of other things out there that can be approaching this fund for support. We are deliberately breaking it down ourselves within the Department of Environment when we talk about composting.

Let me have a look here how we have structured this. An anaerobic digester is something, the blue-bag project. ACRE received some start-up funds in order to recognize the fact that they needed some administrative capability to get functioning, educational materials, the Recycling and Waste Minimization Conference and the national education conference, engineering design projects, shows a broad spectrum of how the innovations fund could be applied. The word innovations should be the key to interpreting what would be eligible.

**Mr. Edwards:** Madam Chairperson, I noticed last night that when the Minister was going through the application, he went through it briefly, and he did not table it. Maybe he is prepared to do that. I did not hear in the application process any reference to a business plan being required as such. Would the Minister be willing to table a copy of the application so that we might verify? He has just indicated that, in fact, a business plan is called for.

**Mr. Cummings:** As a matter of fact, I am sure I stated last night that a business plan was part of the criteria that was required. The list and the process that I laid out for you, I had indicated, I thought, fairly clearly last night—but at 11:30 at night perhaps none of us are listening too well—that the projects were analyzed internally by that list of criteria that I gave you. That is not a list of criteria that we have circulated to proponents. We asked them to bring forward their innovative ideas and suggestions and it is analyzed.

We are in a process of developing a better communication package to give to those who would apply. I think almost everything that I listed in response to that question last night would be included in a standard application form. When we are talking about an Innovations Fund to bring new ideas to bear on in some cases old problems or new problems, it is pretty hard to set out criteria that are completely comprehensive except to say, unless you wanted to say well, everything is eligible and first come, first served. I do not intend to take that approach.

**Mr. Edwards:** Has the Minister any intention, the department have any intention of bringing in some legislation to deal with aluminum cans and the like? There is legislation of course in place in other provinces, in particular Alberta is the one I am familiar with, a deposit system.

MSDR, Manitoba Soft Drink Recycling, has been the subject of some controversy as to their success rate. When they first established the program they were saying that they would reach success rates well in excess of 50 percent, in fact I believe closer to 70 and 80 percent. In fact we learned recently that they had fallen far below those anticipated results. In view of the apparent failure of MSDR to reach the targets they themselves set, is the Government rethinking that strategy as a way of ensuring that as many as possible of the aluminum cans and the likes are recycled?

**Mr. Cummings:** Yes, we have in effect the legislative capacity under The WRAP Act to deal with a variety of waste streams, including beverage containers. The Member referenced specifically aluminum cans. I prefer to take a broader generic approach to that specific problem in terms of referring to it as beverage containers.

Yes, we are in the process of discussions with the beverage industry. We anticipate making some announcements in the not too distant future under The WRAP Act, bearing in mind that The WRAP Act has a clearly defined process. That process begins by the joint establishment of returned or deposit or disposition rates—not deposit, rates of disposition, whether it is to recycle or to re-use. That process is started not in a formal way, and I expect to have announcements in the not too distant future.

The basic premise that we are trying to put in place under The WRAP Act of course is waste reduction and diversion, which recycling and re-use

is part of. Certainly, The WRAP Act goes far beyond just beverage containers; the capacity is there for tires, batteries, used oil, any number of waste streams.

**Mr. Edwards:** The Minister indicates a disposition rate as opposed to a deposit rate. I am not clear on the distinction. Perhaps he can enlighten myself and, as well, I wonder if while he is on his feet he can tell us if in fact what he is contemplating is and that he says may be announced is some form of a deposit system?

**Mr. Cummings:** Disposition rate may have been a bad choice of words. What I was trying to indicate was that figures such as the global figures where we have, it looks like, almost half a billion containers, the percentage breakdown here by beer containers, milk, soft drinks, juices, liquor, water containers, all of these have an ultimate end. Do they go back to be recycled under a deposit system as beer containers do, or do they end up in the waste stream as milk containers have? Although they are now proposing there are ways that they can recycle milk containers.

I am only indicating that the Member has asked me very directly do I contemplate a deposit system. I cannot tell him that we have eliminated the concept of a deposit system. I am telling him that we are starting the WRAP process on beverage containers to determine what will be the ultimate best way for this province to go in the "deposition" of these containers—and that is why I chose that word.

Liquor containers, for example, can be recycled now through MSDR, but at a per pound rate rather than at a deposit rate. The rate of return needs to be looked at. The MSDR aluminum rate we have been following fairly closely. It goes back in fact to the previous administration, some five or six years ago I believe, when communication was first made by the beverage container industry—the soft drink industry in that particular case—to indicate some of their goals. That will be part of the information that comes forward with the discussion under The WRAP Act.

\* (1450)

The goal being that we want to have performance. We want the stuff eliminated from the waste stream as economically as possible. A deposit system is a mechanism. The WRAP Act also contemplates a predisposition fee, which in fact is not a deposit but

increases the value of the product if it is going back into use in another end.

In other words, let us take a very hypothetical situation of plastics that could probably not go back into plastic bottles again but could very well end up in another form, but at least being re-used and some value could be applied to the system. I am thinking more in terms here of oil containers, pesticide containers, anti-freeze, that type of container as opposed to a beverage container, but where the ultimate use of the product could be paid for by the producer of the waste, and that is the concept of the whole WRAP project.

I use the word "producer" here perhaps ill-advisedly. The consumer ultimately pays every time. It does not matter how you structure any of these systems, the consumer pays. The ultimate point at which you impact on the market might not be at the retail level through deposit it could very well be at the disposal level by providing some value added to the plastic so it could be put into, for example, highway sign posts or something of that nature to be disposed of in a useful way in another product, not really a deposit system, but a predisposal fee that allows that product to be re-used economically down the road.

**Mr. Edwards:** Madam Chairperson, I think I gather the distinction the Minister is drawing. It strikes me that any way you cut it, it is sad but true, if you want to recycle items, beverage containers in this case is what we are talking about, that monetary incentive is real for most people and will spur them to higher levels of recycling.

I think we see that with the rates of return which ostensibly Alberta is seeing with the deposit system, that people will, for 5 cents or 20 cents or 25 cents, make the effort to store, return and take back for recycling various beverage containers. Not necessarily true because where it is made easy, of course, people will also recycle. The blue-bag program I think proves that. Where it is picked up at your back door, people will do it because it is very easy to do, and there is a general willingness to participate.

I know that Co-op Dairies, for instance, has recently, to their credit I think, established a program whereby they are co-operating with RRI, and they are picking up the milk containers. All of their home delivery people have now been told they can just put these out, and when the milkman comes to the door

he will also pick up the old containers. It is an excellent innovation in my view. RRI and Co-op Dairies should be congratulated for that.

I think with respect to beverage containers, no matter what way you term it, whether the person gets paid when they take the item in, or they pay a little extra when they get it which will encourage them to bring it back and get the return, we do see higher levels of return in those types of systems where there is a monetary reward at some point in the system.

Does the Minister agree with that, based on the information he has before him? I am sure he has done comparative analysis of different systems. Does he agree that MSDR—or can he tell us if, in his view, MSDR in fact has failed to reach the hoped for rates of return which they themselves, I believe, indicated at the time this all got going a couple of years ago?

**Mr. Cummings:** I think there are a couple of issues that the Member raises that need to be separated, in a sense. I think while it is great fun to poke and prod at various industries and whether or not they are successful in relationship to their ability to get their product back out of the waste stream, I want to put on the record in advance of any discussion that at least MSDR was an example of an industry recognizing that it had a problem it was going to have to deal with.

Since I have become Minister, it recognizes the fact that we have said under The WRAP Act that either their return rates come up to what we jointly decide are acceptable levels, or there is going to have to be additional action taken under The WRAP Act. That is not a secret. That is fair and frank discussion between us as the potential regulator, and them, as the producer.

In fairness to all industries, you should also look at the fact there are a number of other products out there that put an awful lot of similar beverage containers into the waste stream that are not being eyed in the same way that your aluminum can is, for example, or your soft drink bottle. They also contribute to the waste streams. I prefer to talk in the larger sense of the beverage container industry and its responsibilities. The specific question about whether or not I am satisfied with the rate of return of MSDR, frankly, I feel that they have shown some initiative and that they have made some strides, but it is not a level that I am satisfied with nor would they,

I think, say that it is a level that they are satisfied with.

The Member asks a very direct question, however: Do I agree that a deposit system always demonstrates that that provides a better return rate? I can tell you that the return rate on beer cans is abysmal. On beer bottles, it is quite good. So there are glitches—I stand to be corrected—I believe that is the correct summation of the global picture.

The department confirms that I have not said something I cannot substantiate. The fact is that aluminum cans for beer drinking tend to be the kind that people like to crush up and fire off. They do not worry about the fact that it has a higher deposit rate than your other aluminums. There is an inequity there that is not readily recognized, although the glass portion of the industry has a high return rate and one that I think is a goal that all parts of the beverage container industry should be looking at.

I want to be fair under the auspices of The WRAP Act. We have just spent a lot of time talking about enabling legislation regarding my amendments to the environment Act. The fact is The WRAP Act is enabling legislation as well. The tenets under it are that we can cause an industry to be brought under the WRAP legislation. They have a short period of time to agree or disagree with the department or jointly agree to what an acceptable return rate would be, then set goals as to when that return rate would be achieved. If it cannot be achieved, or if they do not reach agreement on what would be acceptable return rates, then by regulation we can move.

I want to make it very clear that I tend to follow the regulatory responsibilities that we have, but not be doing it in a way that is Draconian without giving the industry at least a reasonable opportunity to either set systems in place that they believe will do the job, or to say to us, as some industries are starting to say, well, maybe you should just bring us under The WRAP Act and we will proceed. I am not going to get into a dissertation of who may or may not have said that, but in fact some producers of waste are starting to think in that process.

The fact is that they probably would sooner that the Government took the blame for driving up the cost of their product so that it can be recycled, rather than them having to put the price up and having it appear to be absorbed without a Government regulation forcing them to do that. It is cheaper to landfill, particularly in western Canada.

The other thing that I want to indicate is that you can look at a number of models where there is curbsiding going on and find that, in fact, certain products still have a terrible return rate. I would need to do more research, but preliminary information that I have is that, for example, under the blue-box system in Ontario, the beverage container return rate is not good. That speaks volumes about where we put our money. This is one of the reasons that we have been as cautious as we have in trying to encourage whatever initiatives there are out there for recycling.

\* (1500)

The RRI has certainly been one that has been in the news, but there are a lot of other initiatives out there that are doing very well, thank you. By keeping their overhead down and by appealing to the very high level of interest and willingness to participate that is in the public today, they are getting very high volumes of material back with very low overhead.

Brandon, for example, a project run by the Recycling Council, has got to the point where they must have their depots much more often. They filled, I believe it was six semis in one day with a depot on the fairgrounds in Brandon. Having a warehouse does not make you a recycler. You can in fact have some very low-cost alternatives. Either that or you start building costs into the system, and if you are going to build costs into the system, you want to make sure that everybody in the system is contributing.

Newspapers are the major contributors to volumes of waste in this country. If we are going to get newsprint out of the waste system, the newsprint and ultimately the people who buy the newsprint are going to have to pay the cost of having it brought into a recyclable location. That goes far beyond just talking about beverage containers which are the obvious one. They are a litter problem which makes everybody notice that they are there, but in fact if you want to talk about waste reduction, newspapers, packing cardboard is the area that will give you the greatest result in the waste disposal grounds. So The WRAP Act does contemplate those other issues.

### Point of Order

**Madam Chairman:** The Honourable Member for St. James.

**Mr. Edwards:** Thank you, Madam Chairperson.

**Ms. Marianne Cerlilli (Radisson):** On a point of order.

**Madam Chairman:** The Honourable Member for Radisson, on a point of order.

**Ms. Cerlilli:** As the Member for the official Opposition, I am under the impression, and I think it is correct, that I should be going first with the questioning. Immediately after Question Period I was in the hallway because I had asked questions during Question Period. So I just wanted to clarify, and I will talk to the Member for St. James (Mr. Edwards) in a moment, but am I right in saying that I should be asking the questions first?

**Mr. Edwards:** On the same point of order, Madam Chairperson.

The process as I understand it, and I will seek your instruction, is that each Member is entitled to ask questions so long as they have questions on a subheading, and then it is the other person's turn. My friend, I have never interrupted and I will not. If she wants to ask questions ad nauseam on this subappropriation, after I am finished she is welcome to. Why she was in the hall and why she was not here when it started is of no concern I would suggest to the Members of this House at this time.

**Madam Chairman:** The Honourable Member for Radisson does not have a point of order. However, I would suggest that it might be in order to have a brief recess where the two Members might meet and decide how they wish to conduct the meeting and in which order. Traditionally, in the response or the introductory remarks, the critic from the official Opposition speaks immediately after the Minister and then the critic for the Second Opposition Party thereafter. Usually there is movement back and forth between both critics, and generally there is some agreement in advance as to how much time will be spent or entertained on various clauses, and what the order will be.

**Ms. Cerlilli:** On a further point of clarification then, it seems to me right now we are discussing recycling, and there is a person responsible for recycling in the Planning and Innovation area. Now, when I entered the Chamber I was, I think, coming in on a point where you were just passing that section, but now we are debating recycling or having questions addressed in recycling. So I just want to clarify then why the section was passed.

**Madam Chairman:** On your point of order, it is not a point of order, but for clarification, we are still dealing with Clause (c) Planning and Innovation: (1) Salaries. I read the clause and then the debate ensues on that clause until such time as the Members are in agreement that the item should be passed and that item, at this point in time, is still being debated.

\* \* \*

**Mr. Edwards:** With respect to the statements that the Minister has just made, specifically with respect to MSDR, there should be no misunderstanding that my questions—I do not know about my friend, the Member for Radisson (Ms. Cerilli)—MSDR should be congratulated for taking the initiative in this area and I think that is appropriate. I welcome the Minister's frankness as well though about what may ensue, should they not reach adequate levels of return, because Mr. Morrison, I am sure, would be the first to agree if in fact the rates that he had hoped for are not achieved, there may be some need for other matters. I appreciate the Minister's frankness in that regard, that he is willing to act, and we will look forward to those actions to move forward on recycling.

With respect to the debate that the Minister highlights between depot and curbside recycling, there is a debate in the community and it is certainly no surprise to this Minister, in particular vis-a-vis the City of Winnipeg, I believe, in an urban centre as to whether depot or curbside recycling is the most cost efficient and the best way to go.

Is this branch doing its own investigation into that, because I know that there are certainly proponents of both out in the community? Resource Recovery, of course, believes in curbside. I know the Consumers' Association, among others, speaks very strongly about depot units, and I know that the various councils involved are somewhat split. Can the Minister indicate what his preference would be with respect to recycling initiatives, and let me confine at this stage the question, to the urban centre of Winnipeg?

**Mr. Cummings:** Yes, and this relates very directly to the public discussion and I would be the first to say that I think there has been some misunderstanding on both sides of the issue regarding RRI, but I think it is very clear, and I would support it by what we have done through the

Innovations Fund, that we want to get the information in.

Part of the criteria that I listed last night includes the ability to provide detailed information on costs through the variety of projects that are being considered here as innovations, and that includes the curbside program, so that we can provide some specific analysis in the long run. That was being done in the case of RRI to very specifically co-operate with the city local Government because, ultimately, it will be the city that will make a decision regarding the future of curbsiding, versus community depots, versus other variations that may come from that.

I think that, in my absence, I was not part of the debate, but I believe that the—I was not apprised of the debate, let me put it that way—but I believe that within the City Council itself there is quite a debate raging as to the responsibility and the direction that they wish to go.

\* (1510)

There are literally dozens of examples across North America on different formats that can be used, from the modification of trucks to mini bulk containers that work, albeit maybe better in some more moderate climates, if you will. All of these have their shortcomings, and it seems to me that if we work very closely with the various proponents of different systems over the course of the next few months, that we will be able to develop some pretty solid information as to what is achievable.

Let us not lose sight for one minute in this debate the fact that it will probably be the City of Winnipeg taxpayer or homeowner who will end up bearing the major proportion of any costs that are associated with this.

I do not say that by way of indicating anything other than the fact that in other jurisdictions where provinces have more or less forced their municipalities into particular types of recycling capability by taxing them and then giving their own money back if they will run certain types of programs, we have chosen not to take that route at this time. That, of course, means that there is an ongoing debate out there at this moment.

The fact is if the province chose to, they could impose tipping fees across the province—it is done in some other jurisdictions—and then give the jurisdictions back their money if they run certain

types of programs. The local householder will pay the costs every time.

We do have an obligation to look at what are the most efficient ways of collecting this waste and try and devise systems where the cost of running them does not exceed the value of the product that is being collected, at least. That is where other aspects of The WRAP Act come into play in terms of value enhancement, and that is why we have very much of an ongoing activity within the department getting various sections of The WRAP Act up and going.

I think that by supporting the pilots in the way that we have, as I said, from drop-offs to blue bags to depots and curbsiding—I have indicated on a number of occasions there are some successful projects even on the curbsiding aspect. Selkirk appears to have started off quite a successful project out there. It may fall on hard times but presently seems to be running well.

You can look at systems where there has been industry putting in capital dollars to modify equipment to provide for recycling, but what happens is it is very easy to put in the capital dollars. The federal Government does it to the provinces quite often, put in some capital and leave the provinces with the operational costs. In this case, it would be the industry putting in some capital and leaving the municipalities with some operational costs.

These are things that have to be weighed as part of a decision on how the urban centre of Winnipeg, particularly, would approach this problem. If I could expand that, I think you could show that in smaller centres drop-off depots work rather efficiently because people are quite mobile and move around in those smaller centres, and it probably, because of the volume associated, would be quite efficient.

**Mr. Edwards:** This will be, on this issue, the last time that I ask a question. I know my friend, the Member for Radisson (Ms. Cerilli), is eager to ask some questions, probably in the same area.

With respect to the indication from the Minister that ultimately, of course, the consumer will pay, the homeowner will pay, that is true. It strikes me that is true no matter how you structure it, as he has indicated. Whether or not you force the initial producer to tack on a certain cost and, in effect, promote recycling through additional costs of the item, the consumer still pays. Those taxes,

whatever they are, will be passed on to whomever. It is just a question of how best to do it.

I would simply caution the Minister that, in my view, you cannot at this point in this province be serious about recycling and always look to break even or make a profit. I just do not think you can. That would be nice if, in fact, for the items that we want to recycle we could break even or make money on getting rid of them. I am not convinced that you can do it. I think you have to make a financial commitment, hopefully as little as possible to still get the job done. Of course, that is the responsible thing to do.

I do caution the Minister, if they are continually looking to break even or make a profit, we are not going to get the job done, because we are at a stage still with the population base we have, that we still have a lot of transportation costs to get these items to facilities where they are de-inked or where they are brought into a state which they can be used again.

This is not the Atlantic seaboard. We have a population base, but it is a long way from another population base. We are still at a very infantile stage in terms of the technology required to take certain items and make them fit to be used for other procedures. The Innovations Fund strikes me as very, very important in that regard, that we can expand and move forward with the technologies which we can come up with here in Manitoba.

I do caution him that that seemed to be the tenor coming out of the Resource Recovery Institute debate. Was it that we were looking for a business plan because we do not want to lose money? The fact is, we are going to lose money. It is an investment. The investment has to be seen in terms of what we gain back in societal terms: 20,000 cubic metres of wastefill which we do not fill, which Resource Recovery Institute has saved us; the overall need to stop producing what we do not need and just produce as much as we do need in our society and minimize waste generally. That is a societal benefit which may have an effect of costing the Governments of the Day some money.

My final question to the Minister in this area specific to the recycling issue is: Beyond beverage containers, what does the Minister contemplate and anticipate looking at under The WRAP Act in terms of materials that can be recycled? What is being

discussed in his department right now as potentially coming under The WRAP Act?

**Mr. Cummings:** While we are assembling that information, let me respond in part to my critic's response to my indication of making the recycling process more cost efficient. It also relates very directly to the development of markets for that product. Aluminum, many times because of the inherent value that it has, and because there is a saving and energy cost to reproduce a container out of aluminum rather than going back to the original ore, is a very recyclable product, but I look at newspapers and I see that what would most enhance the capacity of recycling to—albeit money still comes from the same pocket, but to enhance the capacity for the recyclers, whether it be depot or whether it be curbside, to be able to recover their costs relates directly to the development of a market for that used paper.

We see breakthroughs coming. Manitoba, depending on how markets start to unfold, is either in an advantageous place or a less than advantageous place. We know that Ontario—I was told at the national Round Table meeting that, in fact, the paper industry sees they have almost reached the point of overbuilding recycling capacity in Ontario. Yet up until now, their recycling process has ended up landfilling some of the things that it collects, something that nobody really wants to talk about. Separate out the material then landfill it anyway. That will come to an end there, if they get their market for used paper up to speed.

The next inhibiting factor becomes the freight that is associated with that. Manitoba does have a freight differential vis-a-vis population and efficiencies of finding markets. That can be an advantage in some cases, inasmuch as the market may become a local one, and the industry will become a local one and enhance our infrastructure.

Without getting into speculation on that, areas which we are working in as a result of our election commitment—we are working on newsprint. We are working with the beverage container industry, as I indicated earlier, used oil, tires, certainly other priorities that were identified under the RAC committee priority listing which we accepted, by the way and publicly stated these were the areas where we were going to be putting our energies. The others that are on the list but not being prioritized at this moment, would include cardboard and composting.

We are also working on a number of items that are related which are coming along.

It really is unfair to prioritize any of these. They will move as quickly as the process can be moved, and that includes development of markets or value enhancement concepts. Of course, that includes such items as disposable diapers. There was a very long list that was developed by the RAC committee, and you could simply refer to the RAC report to get that list. None of them have been bumped off the end, but obviously we cannot do them all on the same day.

**Ms. Cerilli:** I have been looking through the RAC report, and one of the things I found most interesting and exciting is that there are a lot of industry groups in Canada which have taken upon themselves to co-ordinate and start developing their own targets—battery manufacturing, petroleum products, glass. I would like the Minister to explain, in some of these areas in Manitoba, what is the status of this kind of thing with the industry developing committees to address recycling?

\* (1520)

**Mr. Cummings:** An obvious example of something that has happened right here in the province is ACRE, where CPIC put the money into funding of the pesticide container recovery. We are actively working with the petroleum association. I personally had an opportunity to look at an oil refining plant in B.C. that is being used to re-refine oil there, not something that is probably easy for us to access, but an example of how you can develop an industry within the recycling concept and have it, in fact, make money.

The motor oil is perhaps an example that we have not discussed enough. The fact is, it is your highest grade of petroleum that goes into motor oil. By re-refining it we are keeping it available for use without burning it off, as can happen, or dumping it down a gopher hole, alternatively, both of which are not good for the environment.

We are also involved with the National Packaging Protocol where industries have been quite involved. Obviously MSDR has invested a fair amount of money. Regardless of what you think of what they are doing, they have invested a fair bit of money in the process. There are other industries that have indicated a fair bit of interest. Automotive tires, obviously has started to come forward much more quickly since we had the Hagersville fire. I guess

that is an example of where we want to work co-operatively with industries to make sure that we have a market developed at the same time as we start collecting the material. It is always a question of whether you get ahead of yourself with recycling. The enthusiasm can sometimes lead to the kind of developments that we saw in Hagersville.

**Ms. Cerilli:** The issue of markets is an important one. Can the Minister tell us what currently are the markets for, starting off with newspaper and tires? I am going to go through a variety of other materials.

**Mr. Cummings:** Newspapers, first of all, we know that the plant at Pine Falls has the capacity to use up to between 5 percent and 6 percent, I think it is, or between 6 percent and 7 percent of post-consumer paper, as they call it, in their newsprint without de-inking, without reducing the colour. The fact is that they were trucking in newspaper from Calgary on an empty return truck in order to get the newspaper that they needed, but they were not paying any more than \$40 a ton, which pretty well is eaten up in freight to get the material to their plant. Therefore, there is an issue there.

Cellulose insulation, there are 3,000 tons per year being used there. Welclad International—that is in addition to the other insulation, of course. That is a building product which is composed of recycled paper.

Rather than give the total breakdown on each of these, I wonder if the Member would be satisfied with what the total local market demand is. For example, potentially we see the local market demand here of 56,000 tons per year for taking newsprint and used paper, if you will, out of the waste stream. We are estimating that today, between 80 and 90 percent of the paper is not going into a recycling process. I am sorry, we are estimating today that we are not capturing any more than 15 to 20 percent.

**Ms. Cerilli:** One of the problems with newsprint, especially in terms of the rural areas, is transporting it from the rural areas to somewhere that it can be dealt with so that it can be sent to one of the people using it. Do the Minister and the department have any plans for dealing with this problem? Specifically, a lot of the rural communities are having problems getting the paper baled.

**Mr. Cummings:** The Member has identified an area that we identified during the election and committed ourselves to dealing with the removal of paper from

the waste stream, and that is why there is a multidisciplinary appointment, or will be when the committee is fully in place, to a committee to develop a system for removal of newsprint particularly from the waste stream in the province. Part of their mandate will be to address the cost of transportation, how we can get it transported either reasonably or afford the cost of transportation from within the system.

We have to include, obviously, the producers, the post-consumer users as well, and the various stakeholders in terms of those who are developing the recycling capacity across the province, whether it be through community-based organizations or private RRI style organizations that will run a larger for-hire type of program. All of those need to be part of the decision-making process to bring forward a plan to get the maximum amount of waste paper out of the stream.

You know, conceptually you can have a collection of marketing intermediaries that will do some of the things that our recycling co-ordinators are attempting to do in their own modest way today, and that is not only tell people what to take out for recycling, but how they can best get it to market. Because paper is such a big issue and such a large volume, it deserves special attention, as we are giving it under this system.

**Ms. Cerilli:** Is the department looking at any ways to assist rural municipalities in purchasing balers or having some type of program where balers can be rotated through some of the rural communities?

**Mr. Cummings:** Not specifically on purchasing pieces of equipment. As you will see from the list, there are a number of organizations that are setting themselves up to collect and put material in recyclable condition and position. As and if they apply for funds under the innovation program, one of their concerns might well be getting the capital acquisition that is needed, but there are a number of ways that can be done without every small town, for example—I do not think that was the implication—but, I certainly do not think it is reasonable to expect that every small collector would have to have his own baler. That can go to a regionalized system for further shipping and processing.

**Ms. Cerilli:** Has the department had any meetings with some of the local newspapers to see how they are pursuing the challenge of finding markets for

recycling paper and starting to use recycled paper in manufacturing their newspapers?

\* (1530)

**Mr. Cummings:** I am informed that we have not at this point had a lot of formal contact with the various local newspapers, but they are one of the stakeholders that will be part of the overall system that I talked about a moment ago for handling of waste paper in the province.

**Ms. Cerilli:** Since part of what the action plan is supposed to do is to identify targets for reducing waste, and since newspaper is one of the largest, I would think that this would be a priority area. Have there been targets set for the reduction of newspaper waste in Manitoba, or specifically in Winnipeg?

**Mr. Cummings:** Establishment of those targets will be part of the responsibility of the interdisciplinary committee that I referred to a minute ago. The fact is that this is an extension of The WRAP Act which allows the producers and the users and the regulatory authority, being the province, to come together to set those goals and then develop means to achieve them. We have set an overall goal, as you are aware, of 50 percent reduction by the year 2000. It seems to me that the better we do in the paper industry, the more likely we are to meet that goal. Obviously, it is a priority and the paper recycling program is a priority with the Government in response to your earlier question.

**Ms. Cerilli:** There have been no targets set. I am wondering if there has been any other development in the action plan? Can we have an update specifically in the area of newspaper? Then I will move on to some of the other areas as well.

**Mr. Cummings:** I do not think the Member should take too much issue with the fact that there has not at this point been a target set. The fact is that we want as much of it out of the waste stream as we can get. It will be governed by the capacity to collect it and get it into a location where it can be recycled as quickly as possible and as efficiently as possible. The WRAP strategy report, which we hope to produce early in the spring, will address specific targets as a result of the discussions that are beginning to take place now.

**Ms. Cerilli:** Have there been targets set for any of the areas recommended in the WRAP report?

**Mr. Cummings:** I indicated to the Member for St. James (Mr. Edwards) earlier, in setting targets we are operating under the auspices of enabling legislation, the same as we have been talking about enabling legislation last evening in regard to the amendments to The Environment Act. We want to move as speedily as possible but without breaching the capabilities we have under that Act. That Act specifically says that we shall jointly set the targets with industry, Government and other stakeholders to set down what are achievable targets. I can assure you those targets will not be compromised, that we intend to, from the Government's perspective, have those target figures set as high as possible.

It would be somewhat arbitrary for me to go out and indicate that we want 80 percent of newspaper removed from the waste stream by 1992. A laudable goal but probably not achievable. We need to look at what is the realm of reality as well. You can relate that to the beverage container industry. We do have other jurisdictions where there is the demonstrated capability to bring back a certain percentage of a certain type of container. We can take that information into discussions with the industry and say: Look. Here is what is achievable. Why can you not do it here, or what do we have to do to accomplish those levels here?

The same approach can be used in newsprint except that we do not, to my knowledge, have as good a background information as we have in the beverage container industry to start the discussions in that manner.

**Ms. Cerilli:** What I am trying to understand is, where are we in progressing with the recommendations made in this report? Are there certain areas—there are 10 categories where there are going to be targets set, or could be targets set. Of some of those areas, are there committees in place to start looking at these targets?

**Mr. Cummings:** I indicated that we are putting together committees, and that we are actively beginning to gather information in the four target areas that we have started with. The fact is that there has not been a formal imposition of The WRAP Act in any of these areas, but we are very close to making announcements. The fact is we are working with the industries already, and the fact is as well that it will not take very long in many of the sectors to establish the target. The time will be consumed in designing a system that will enable us to meet the

target. Setting the target will not take an awful lot of time.

**Ms. Cerilli:** Can the Minister clarify for me then, what are the four target areas?

**Mr. Cummings:** Beverage containers, newspaper, oil and tires.

**Ms. Cerilli:** Okay, let us go back then to markets. What are the current markets in the province for the re-use of tires?

**Mr. Cummings:** We will market for about 10 percent of the used rubber in the province today, at the most. That market is growing, however. Primarily, it is a market that re-uses the rubber into other products: mudflaps for large trucks, floor mats for livestock use, that type of approach. Both of the industries that are involved in doing that are in southeastern Manitoba. I cannot bring their names to recall off the top of my head, but they are both looking to expand as well.

Obviously, they will not be able to expand fast enough to consume all of the tires that would be produced in this province. The rule of thumb is that about one tire per person of population is about what we use or throw away in this society. Manitoba potentially has a million tires a year. I should indicate to the Member that Manitoba has been actively involved in the—I believe originating from a CCME initiative on regional discussions on disposal of waste tires.

The fact is that there is quite some debate out there as to what is the best way of ultimately disposing of waste tires. Everybody has the best ever and the first one of how to get rid of used tires. Unfortunately, they are all at this stage saying, however. There is a small matter of subsidy that will be required here to be able to get this in place. I think the industry has a great deal to contribute in this case as to what might ultimately be a very practical way. It may very well involve some predisposition fee or deposit, if you will, those types of things to either enhance the value or encourage the return. It is far too early to make those kinds of assumptions. That is only to indicate that those are areas of discussion that could be brought forward. Certainly, environmentalists everywhere have considerable disagreement about what is ultimately a good method of disposal.

Energy recovery is not well received in all circles, and yet there is equipment out there that can recover the energy very efficiently and not pollute

the atmosphere in a way that would be environmentally harmful. This is only one of many suggestions that were brought forward. Because of the magnitude of it, and because there is a very real resource there, a large amount of volume of a real resource that can be either re-used or recycled or reclaimed, the potential impact there is quite significant, as it is with newspaper.

\* (1540)

**Ms. Cerilli:** In the area of re-use of tires, who is doing the research in this area? The Minister mentioned one idea of manufacturing them into tire flaps. Can the Minister explain more about who is doing the research, and what are some of the other ideas for they could be re-used?

**Mr. Cummings:** I think the Member misunderstood my comments. She asked, I believe, originally what capability there was for recycling rubber in this province. I indicated that there are two quite significant recyclers operating today who would probably consume about 10 percent of the available rubber. I did not say that we were doing the research on their behalf. We will work with the industry to do the research to develop a program to have what is a practical and acceptable way of dealing with the rubber in the province, or it could be a regional system.

We are involved in regional discussions as well with other jurisdictions, because some proposals that have been brought forward involve the purchase of some extremely costly equipment that would not be necessarily affordable for a jurisdiction that only produces a million used tires. The fact is that the recyclers—there are two that come to mind immediately, and there are others—but they still are not capable of absorbing all the tires that we produce in this province. The research and development can, if we are getting into an industrial question, the industry I fully expect would want to be involved and would anxiously want to invest because there is a profit potential in how this might eventually be dealt with. There are a number of proposals that have been made to Manitoba, Saskatchewan and Alberta.

Alberta in fact has come very close to accepting a proposal. I am not aware that they have actually accepted it. Perhaps it was the salesman who thought they were going to get that close. I am told the Province of B.C. has gone out to proposal calls and has received about a dozen proposals on how

a system might be run within the province to handle their tires. Geographically there may be reasons why B.C., given its population as well, may be able to run a system separate from the prairie provinces. Distance and volume do have an impact on what we might do here in the prairie provinces.

Could I indicate one other thing on that same line of questioning? We actually have received quite a number of unsolicited proposals on how a system could be run in this province from private industry that believes they could work very well to provide that service.

**Ms. Cerilli:** That is the kind of information that I am looking for. I would like to have the Minister explain what some of those innovations are.

**Mr. Cummings:** I can appreciate the Member's question, but I hope she will appreciate my position and the position of the department. We have received, for example, one proposal that I am aware of, quite detailed, particularly financially.

I do not think it would be fair or reasonable for me to publicly disclose what various proponents are bringing forward to us. If they wish to disclose it publicly, that is their business. I could do it but I believe I would be breaching some confidentiality between competing interests who might want to do this within the province. Certainly the province benefits from any competition from the private sector that might want to get involved.

In general terms I can tell you that we have had a proposal that would use energy recovery, in other words some type of incineration process. I also know that there are proposals out there that would use rubber, could use it in highways, could use it in expanding production of other products. I think beyond stating those general fields where the rubber could go, I think it would be breaching some confidentiality that people have entrusted us with in bringing forward proposals that they would like to actively pursue with us.

**Ms. Cerilli:** Can the Minister explain then currently what is the practice with disposing of tires in Manitoba? Where are they stored? How are they dealt with? Are they just deposited at landfills?

**Mr. Cummings:** I think this relates very much to what we touched on a few minutes ago. The fact is that we do not want to start regulating and collecting these tires into piles, if you will, unless we have a proper disposal system. Jim Bradley in Ontario was figuratively hung for the fact that they had even

collected a deposit on the tires when they started amassing them, and then the money was never put back into a system to actually dispose of them.

We did a survey in the Province of Manitoba to determine if we had any large tire piles, whether or not we might be facing the same problem that Ontario did. We determined that any areas that we have are relatively small, albeit several thousand, but nothing beyond. I believe the most we found was 20,000 tires, maybe a little more. Certainly we have the regulatory capability to stop them from getting any bigger or amassing large numbers of them. We are anxious to get a disposal system in place before we start encouraging people to amass piles of them, by regulation or any other means.

**Ms. Cerilli:** I move on to asking about tipping fees. One of the areas of concern is that there is some discrepancy in the cost to industry for disposing of their garbage at landfill sites. Is there a current system of regulating the tipping fees at sites for industry, and what is that system? Is the cost the same throughout the province?

**Mr. Cummings:** The short answer is that it is largely primarily regulated by the local municipality—that includes the City of Winnipeg—because they are the ones who incur the cost of managing and running those landfills. In terms of actually being able to accurately weigh what goes in, I am told that there are only two locations in the province where waste disposal is accurately weighed. I guess they are both in the City of Winnipeg. Is that correct? Both of them are in the City of Winnipeg.

**Ms. Cerilli:** So the rural areas are not having any of the materials weighed? I am not clear.

**Mr. Cummings:** Yes, and I think coming from rural Manitoba perhaps I can more easily grasp why they would not. The waste disposal ground process in rural Manitoba has been very unregulated. This department is now moving to enforce and improve on—we have taken out draft regulations for improved control at waste disposal grounds across the province. The fact is that you may very well be looking at waste disposal grounds that are not manned. Primarily we are concerned with the siting of them, and then the local R.M. manages it beyond that.

One of the problems we have is that we have some waste disposal grounds where burning is still permitted. In areas where it is not permitted, we still have occasionally, because they are unmanned,

irresponsible citizens who think they are cleaning up the waste disposal grounds who may choose to light it, and very often tires end up going up in smoke with it. We have a situation out there where far too many of the tires are actually being incinerated, if you will. You could make an argument, therefore, that central, controlled incineration would be more environmentally friendly, I suppose, in the long run.

(Mrs. Linda McIntosh, Acting Chairman, in the Chair)

The fact is tires are a problem in waste disposal grounds. They are breeding grounds for rodents. They are collectors of water for mosquitoes, and they will not stay down when you bury them. Apparently, the frost will work them back up again, so it is an issue that everybody would be glad to see brought under control.

\* (1550)

**Ms. Cerilli:** Following the same procedure, I would like to get the Minister to explain the markets for glass in Manitoba.

**Mr. Cummings:** The facetious answer in Manitoba is that it is not very good, but there are markets for glass. If you give me a moment, I will get the further information from the department.

The fact is that areas or markets to dispose of crushed glass are pretty well non-existent in this province, which is one of the issues that has to be addressed under beverage container disposal. We can export glass out of the province. I am told that the market varies. In my personal observations, the Brandon Recycling Council has from time to time been able to ship glass at a break-even price. That is about as good as they can expect.

The same as with tires, there are a number of experiments going on. In fact, the Manitoba Department of Highways, I believe, has—if not this year, in the past year—taken a look at what some of the possibilities were in terms of using old rubber in the production of asphalt. At the same time, there is some suggestion that if you want to get rid of crushed glass you can put it into a road bed as fill which simply means you get away from the cost of freighting it somewhere else. You do not really have a viable market.

I cannot speak to the capacity of future development. We are hopeful that is possible, but we do not have specifics today.

**Ms. Cerilli:** Can the Minister tell us the total amount that the department is currently spending on recycling?

**Mr. Cummings:** The Member has asked a question that might be difficult to answer specifically or even correctly. I have indicated here, and we indicated last summer, that we would take an amount of money up to a million dollars to put into recycling initiatives within the province out of the Environmental Innovations Fund. In terms of specific allocations within the department, it is more of an organizational function. A large portion of the time is spent in the planning and innovations towards working with these recycling issues. The dollar figure, if we were to try and deduce a dollar—first of all, it would be awful hard to do.

Secondly, I do not think you would find that it would be a big dollar, because basically what we are doing is using staff time and expertise to start operations under The WRAP Act. Believe it or not it takes—going back to the development of The WRAP Act, the development of the Recycling Action Committee, you noted that there were some significant dollars spent there. The amount of staff time on a percentage basis, I am trying to get. If the department can give me an estimate of what they might spend in terms of time, because time is also money. It is fair to say that it is not a big dollar outside of the Innovations Fund.

**Ms. Cerilli:** One of the recommendations is that the Manitoba Government negotiate with school boards to put out the implementation of waste minimization recycling plants. Can the Minister explain where this recommendation is at, and if he is aware of school boards being involved in recycling?

**Mr. Cummings:** That has not moved in terms of moving directly into meeting with school divisions and setting targets for reduction or setting up recycling processes within the schools. We have an interdepartmental group that is establishing some working parameters. We also have a direct contact to the schools through some of the environmental education material that we have put money into and have distributed. I believe some of it has actually been distributed through the Department of Education as well as going directly from our department, but that initiative is not fully developed.

**Ms. Cerilli:** Are there plans to undertake the same plan for developing recycling programs with hospitals and other agencies?

**Mr. Cummings:** The WRAP Act contemplates dealing with products in the waste stream product by product more than it does industry by industry. Obviously the opportunity for reduction of waste from the hospitals—the higher priority that we have in our institutions, is the dealing with the medical waste.

Certainly the recycling capability within all of our institutions, whether it is schools or hospitals or whether it is this building, public institutions need to show some leadership in what they are doing and generally have a group of employees housed in them that are willing and dedicated to get involved, subject to getting markets.

In the hospital—and I am not sure what the Member is referring to in hospitals, but the first thing that comes to my mind is dealing with the medical waste. The Department of Health and our department has begun to put together the information so that we can start taking initiatives in that area as well.

**Ms. Cerilli:** The kinds of questions I am asking are—a lot of people feel that the Government has to show some leadership. I was also going to add the bureaucracy for the Government. In this building we have some paper recycling, but people feel that the bins are not being picked up and emptied regularly.

Can the Minister explain who has the contract for the provincial Government's current program and if he feels the program is running as he would like to see it?

\* (1600)

**Mr. Cummings:** That would more appropriately be answered under Government Services, but I think we have the name here. Frenscot is the private organization that is involved in pickup of recyclable paper in this building and a number of other designated buildings that contain Government offices.

Government Services has, in conjunction with the sustainable development thrust, the Government and Sustainable Development Committee of Cabinet introduced a paper a year ago and has started to provide by example some of the leadership that the Member may be referring to.

One that is rather innovative and caught a lot of people's attention and still is ongoing, although probably because it is now ongoing does not get much attention, is the fact that gasohol became the

fuel of choice for the Government. On our tenders, however, the producers of gasohol did not come in as close as we expected they would have. We expect they will be more competitive on the next tender.

Recycled oil is now the oil of choice for lubrication for our Government vehicles, whether it is this Government directly related to legislative responsibilities or departmental responsibilities. For all of Government fleet, that is where that oil can be purchased. It is used.

Recycled paper is now the paper of choice for the Government, still subject to it being competitive. There are interesting things there. For a long time, or not for a long time because this is a recent phenomena, but for a period of time recycled paper was considerably more costly than other paper that could be purchased and was in fact less desirable in some cases. That has now changed. Recycled paper is more readily available at competitive prices, but volume is still needed in order to make us fully using recycled material.

These are the types of things that the Government itself internally has started doing to show leadership. Part of that is very deliberate inasmuch as, if we used oil in our fleet—we are probably the biggest fleet in the province. I think that is irrefutable probably. If that fleet uses recycled oil, it provides a market so that the wholesalers will start providing the product in this area. We very conscientiously made that decision knowing that we want to develop a capacity to recycle oil either in this province or regionally. If we are leading by example in consumption of the product, we hope to be able to encourage investment to actually produce that product here and close the loop regionally.

**Ms. Cerilli:** Looking at some of the projects that are listed in the Innovations Fund, I would like the Minister to explain the department Radon Initiative that received almost the most amount of money.

**Mr. Cummings:** I would like to add onto the answer to the previous question that we also, at the time that this initiative was taken, we were the first province to state a preferential purchase policy to use recycled paper, re-refined lubricating oil, sanitary products and gasohol. I guess Government Services will be able to indicate more accurately how successful that has been.

The Radon Initiative involved the survey of the province to determine if we had areas of radon gas

getting into buildings that were at unacceptable levels, or if there were areas of the province where there needed to be greater attention paid to it than what has been the normal interest that has shown up until this time.

It has always been assumed that there were some elevated radon levels in the Winnipeg region where there is heavy clay levels, but we have found some up until—the reason that the survey was seen as the best way to go was that it was unpredictable, that where levels would be assumed to be high, they might be low and in other cases might show up higher than normal where it would not have normally been predicted by previous information that was available. The survey will give us a handle on the information across the province.

At the same time we developed a guide. I believe it was Professor Yuill who was involved with that. The guide was produced internally within the department—interdepartmentally, pardon me, because other departments were involved in the issue, Mines and Energy being one of them. We have distributed 17,000 copies of a 40-page guide for radon information in the province.

Primarily it is a problem that we believe can be solved by the homeowners themselves by following a very simple testing regime, and in many cases, a very simple remedial action. It is a program that we do not envisage becoming an entrenched ongoing responsibility of the Department of Environment, but we felt it was a worthwhile undertaking to make sure that there was not something happening that we were unaware of or should be making the public more conscious of.

**Ms. Cerilli:** I am not clear, was the study or the survey just within Government, or did it also include homes and schools?

**Mr. Cummings:** The survey was done across the province. I did not mean to indicate that it was done internally. What I indicated was that the guide was produced within the department and then published, rather than contracted out.

**Ms. Cerilli:** I know that the guide has been completed. Has the survey been completed? Do we have enough data?

**Mr. Cummings:** Almost.

**Ms. Cerilli:** One of the reasons I am asking questions about this is I find it odd that there would be money from the Innovations Fund that was going

back to the department. Can the Minister explain why that was happening?

**Mr. Cummings:** First of all, let me deal with the principle of whether or not the money should have been available under the Innovations Fund. As I indicated, those two programs first received funding under the Innovations Fund very early on in the development of the Innovations Fund. A decision was subsequently made that we would not allow cross-financing, if you would, out of the Innovations Fund into what would normally be departmental responsibilities unless it could be shown they would be very specific cases.

As I indicated earlier, the radon program was a specific one-shot innovation in terms of going in, of monies that were spent for a survey. It was spent for a program to develop information to give people on what would be remedial action they could take regarding radon and to pay for the cost of getting out a publication and information into the hands of the public.

By and large it will not be the policy of this Government to use money from the Innovations Fund for something that is normally very close to a department. It is not meant to be a fund to supply departments with other sources of revenue, but those two projects were funded in that manner earlier on. I should indicate, interestingly enough, the very first cheque, as I recall it, that was written under the Innovations Fund went to RRI—the very first one.

**Ms. Cerilli:** When I look at this list, it seems like a lot of the groups are fairly mainstream groups, and a lot of the organizations that are trying to initiate recycling projects or environment awareness projects are smaller local groups.

Can the Minister explain what activities or plans there are to make some others of these groups informed that the Innovations Fund is available?

\* (1610)

**Mr. Cummings:** I think the Member is referring to the fact that she feels there would be more activity out there and applications for use of the fund. When the fund was first established, there was perhaps a lack of information available to the public. That seems not to be the case anymore, that the publicity, the free publicity that it has got frankly has generated interest across the public.

We respond to inquiries that come to the Department of Environment and are referred to Planning and Innovation. We respond to indicate that this would be an area to which they could apply to acquire funding if their project is deemed one that would be considered an innovation. We invite them to expand on their proposal if that is an appropriate thing to do.

Just in looking at this list, I do not think that we want to overlook the fact that we have stated, and it will certainly be my intention that we adhere to the policy that the Innovations Fund is not going to become an ongoing funding source for multiyear programs unless they are the types of programs that are brought forward for multiyear funding, and it is approved up-front that it is a multiyear program. Multiyear can mean two or maybe—and very often, in fact, I think that is the furthest that we have gone, is two years.

The reason for that is that we do not want the Innovations Fund to be seen to be a source of long-term funding for projects. If they are going to become something that is eligible for long-term funding, it should be something that becomes clearly appreciated within the Estimates process of the relevant department, whether that is the Department of Environment, or that is the Department of I.T. & T., or whether it is the Department of Health where they have a grants listing, and they provide grants regularly to a long list of organizations.

The Department of Environment is not a granting department. I think the Department of Environment only has two grants that it normally gives outside of the Innovations Fund. The Innovations Fund, through the administration of an area that we administer, and the list you have in front of you, is now the only area outside of those other two where we have a granting capacity. That granting capacity is not of an ongoing nature.

**Ms. Cerilli:** That starts to clarify one of my other questions. Following this idea of the Innovations Fund to grant money to environment interest groups, are there any other plans to develop money for some of these groups that are broke and desperate?

**Mr. Cummings:** I get the feeling I am getting into the area of perhaps advocacy groups and perhaps more specifically, if I look at the list, there may be

some feeling that there are groups on this list that maybe should be eligible on an ongoing basis.

I do not contemplate using the Innovations Fund, and I do not contemplate expanding the granting capacity of the department. Let me indicate that the department has from time to time worked with various groups if they provide a service that the department can contract to have that service provided through them. It gives them some activity.

Specifically, if we deal with Manitoba Eco-Network, it was set up as an organization to provide networking between the various environmental eco organizations, if you will. It was self-sustaining and was conceived to be self-sustaining. They made presentations to us that they needed to be given a boost over a specific hurdle that confronted them.

I felt that—and I will put it on the record here if it would help to clarify the situation—they needed to recognize that they would not expect ongoing funding under the Environmental Innovations Fund, and that I was probably stretching the reality of guidelines to allow them granting under the Innovations Fund. I hoped that they would take that to heart as they developed their plans for the coming years.

**Ms. Cerilli:** I would like to find out a little bit more about some of the other groups that have applied and been given grants and what some of their projects were, specifically the Biomass Energy Institute grant. What was the nature of that project and what was the outcome of it?

**Mr. Cummings:** That is the Manitoba Waste Exchange that is being funded under that grant. Manitoba Waste Exchange means that they run a directory of information on materials. In some cases, what is one man's waste is another man's gold and has value for another industry when it could be waste on the other hand. They were attempting to run a waste exchange that would bring together the buyer or at least the consumer and the producer in order to reduce the requirements for dealing with the waste either in landfill or by other means. Part of the responsibility of their receiving that grant will be that we will analyze the amount of work that they are able to do and the efficacy of the efforts they put forward in reducing the amount of waste that is not properly or efficiently handled.

**Ms. Cerlill:** Was that a research project to look at the feasibility of it, or was it actually facilitating waste exchange?

**Mr. Cummings:** Strictly operational.

**Ms. Cerlill:** Can the Minister elaborate and explain some of the different kinds of waste that were involved in that and the outcome of how effective was it? It seems to me like it would be something that should be expanded.

**Mr. Cummings:** They used to receive some funding from the Manitoba Hazardous Waste Corporation as well. The Hazardous Waste Corporation drew the conclusion that this was not an efficient use of their funds. There was some restructuring and redirection of their effort as a result of that decision and as a result of receiving this grant to help them move forward in making that exchange work efficiently. I do not have enough background information to tell you where we are at with it except to say that this is one of those grants that we hope would be evaluated carefully as to the efficacy of it.

Yes, I could add, Madam Acting Chairman, that in an attempt to make themselves more operational and able to operate first of all by providing a good service, but second by providing that service, it would not be as easy for them to continue providing that service free of charge. There are producers out there and consumers who were gaining real benefit from the work they were doing and simply bypassing what would have been a commercial operation somewhere else in the province that would have handled the waste for them. There are real reasons for them to consider some cost recovery in their operations as well.

\* (1620)

**Ms. Cerlill:** Will that organization be continuing to try and develop that kind of a business plan, or are they going to now have to fold?

**Mr. Cummings:** The department has indicated that they meet with them regularly to keep track of what is going on. In fact, we have a member on the board in order to keep our finger on the pulse of the success of that operation.

**Ms. Cerlill:** I would also like to have some more information about the recycling hot line to find out if this is a completely volunteer effort, what kind of information they have, if there have been any evaluations to the use of the hot line.

**Mr. Cummings:** We will give you the whole 40 miles here in a minute. This is an area where we had some discomfort and asked for a very close tracking of what was occurring as a result of having received support.

The indication would be that under the first full month of operation, which was just this past August, the line handled 1,164 calls, for an average of 53 calls a day; in the second month of operation, a total of 1,030 calls.

Ninety-three percent of the calls were Winnipeg-based calls, with some outside geographic distribution, but irrelevant to this discussion, really, because of the high percentage that was within Winnipeg. Fifty-two percent of the calls wanted information on how they could put newsprint out for recycling and others requested information on a variety of topics, which included glass, scrap metal, household plastics, corrugated cardboard, et cetera. That is the type of information that we have been wanting more of from these arms length situations.

I would presume the majority of those calls would have likely come to the Department of Environment in one form or another, so it provides some substantiation for a reason to contract out that type of information.

**Ms. Cerlill:** It is interesting that you would look at it that way. I was going to ask the other question to see if there is demand for this kind of a service, if the Government would not look at providing it and advertising it. Is there any consideration being made of including this as one of the services of the department?

**Mr. Cummings:** One could always argue both sides of the question of whether the Government should be providing more and more of these services or whether they should be involving people such as those who are running this service for us at quite an efficient cost to Government. We have to weigh that cost against the service that they are providing. It is not necessarily correct to say that it would be better if Government did it. The fact is that it is a subsidized service as it presently sits, and we will have to evaluate whether or not the demand would require us to continue providing it. I see this as a service that would not necessarily go on ad infinitum and need to become departmentalized. I see that there is a rising demand out there and interest which, once it is satisfied, may very well drop off quite quickly.

**Ms. Cerilli:** Initially, I had asked to explain who had been running this service, if there were any staff involved or if it was strictly volunteers, and what were the hours for this service.

**Mr. Cummings:** It is run by the Recycling Council of Manitoba, using their staff. We provided some resource to them to set up the information-gathering mechanism that we wanted in order to provide the type of information I just gave you. This was an opportunity for them to make efficient use of their staff, which, I assume, was underutilized at that point—or is that an unfair comment? They were able to utilize staff, to leave off the editorial comment, and provide a service that we would have had to probably hire somebody within the department to do anyway.

**Ms. Cerilli:** One of the other projects here that I am interested in finding out more about is the Recycling Council of Manitoba, the depot. Again, what was that study or project?

**Mr. Cummings:** That is just a recently released grant to establish four permanent drop-off facilities for recyclable materials in St. Vital shopping centre, the Kildonan Place shopping centre, Unicity shopping centre—I am sorry, it is for three depots. Other funders in that project are the City of Winnipeg for \$25,000, Canada Employment and Immigration for \$20,000 in kind grants. The breakdown is: facilities and equipment, \$39,000; salaries, \$39,000.00.

**Ms. Cerilli:** Can the Minister elaborate on what kind of materials they are recycling? Is it just newspaper?

**Mr. Cummings:** It is a multimaterial type of depot: aluminum, scrap metal, PET and newsprint.

**Ms. Cerilli:** Who has the responsibility for seeing that after the material is collected it is transported?

**Mr. Cummings:** That is their responsibility, and they provide for their own marketing network.

**Ms. Cerilli:** "They" being the Recycling Council? How about the next project there, the Pembina Valley Development Corporation grant? What was that project?

**Mr. Cummings:** This is something, maybe because it is a rural project and I am a rural Member, that I have some understanding or sympathy, if you will, or maybe an inordinate amount of support for this. It is a study to develop a regional waste disposal system in the Pembina Valley. I believe there was additional funding—I will have the paper here in a

minute, in fact, I am told we can give you a copy of the proposal.

The fact is, this is one of those proposals that answers a number of the waste-reduction questions that we have to deal with within the department. It goes far beyond recycling. This is more an example of how you amalgamate a number of waste disposal grounds, hopefully, out there and run one that is more safely operated; at the same time, incorporate recycling capacity so that you get the best of both worlds. You get a manned, better operated waste disposal ground, plus you incorporate the capacity to do other desirable things such as recycling and encompass a number of communities at the same time.

\* (1630)

**Ms. Cerilli:** Were there recommendations if that study is complete, and can the Minister explain what some of those recommendations are?

**Mr. Cummings:** The report has been completed and I believe we are free to provide a copy.

**Ms. Cerilli:** What is the CFC recovery program and what was the outcome of that project?

**Mr. Cummings:** It is a shared project with the City of Winnipeg to recycle chlorofluorocarbons primarily from disposed refrigerators. This program has not got off the ground at this moment. It is slated to go into operation in the spring when they have collected a fair bit of the material and be able to run a more efficient program to see if the recovery at that stage is even practical.

**Ms. Cerilli:** The city would be running that program then. Is that correct? How would they be collecting the refrigerators?

**Mr. Cummings:** I will have to wait for a moment to get you the information on the collection of the refrigerators themselves, but primarily this would operate at the waste disposal grounds. You would use a collection process there before the material went to final disposal. Now I think there are a number of other things that are involved. I do not have the proposal in front of me. I will get you that information in a moment or two. If you wish to ask another question, I will get it.

**Ms. Cerilli:** The final project here that I will ask about is: the Thompson Environmental Council grant, the specifics of that project and the outcome?

**Mr. Cummings:** The Thompson grant is to take advantage of an opportunity there, where there is quite a significant amount of community interest being shown because of their isolated location. They wanted to put in place a regional community education and project co-ordinator, actually a very highly qualified person who could be made available to work within the community.

It brought together a very unique set of circumstances where the projects co-ordinator would work within the schools and in the public sector. Obviously, the public sector there also includes more than just the public sector; it would include working with the major industry—Inco, I believe, is involved as well, very closely in this project. The person would provide outreach activities for data on the knowledge and attitudes of the public and help them design not only education programs within their school system, but use that information to set up recycling depots in the Thompson area.

The information about the gathering of the white goods for removal of CFCs—I knew the answer, but my memory is short. The fact is the contract was let already, I believe, for the collection of these goods. The actual CFC recovery will not occur until closer to spring, but the collection process has already started.

**The Acting Chairman (Mrs. McIntosh):** No more questions? Item 1.(c) Planning and Innovation: (1) Salaries \$434,700—pass; (2) Other Expenditures \$40,300—pass.

Item 1.(d) Community Relations: (1) Salaries \$149,600.00.

**Ms. Cerilli:** The main parts of this area are the library and public awareness. Starting off with any news media awareness, can the Minister explain what broad public awareness campaigns the department is involved in or that they are planning?

**Mr. Cummings:** I wonder, if the Member would enlarge on the question a little bit, I will give her the fuller response. I understand that you want to know what public awareness campaigns we are mounting.

**Ms. Cerilli:** What is being done by this branch to increase public awareness of environmental issues?

**Mr. Cummings:** There are a number of activities that the department is involved in that go beyond

just the day to day making of information available and responding. In a number of cases actually, because of the ongoing nature of responsibilities of the department, we have to respond to public and media inquiries as to getting out information about specific occurrences that may be going on, some of them of an urgent nature.

In terms of public awareness proposals, this department produces public information pamphlets. We have produced educational materials or distributions which we unveiled at the education conference. We have also a responsibility for public display activities where the Department of the Environment would be involved, very often, in conjunction with our sustainable development display, I would think.

(Madam Chairman in the Chair)

**Ms. Cerilli:** Are there any specific materials being prepared that would deal with the areas of priority that the Minister mentioned before?

**Mr. Cummings:** Obviously, the department is responsible for preparing the information that goes out whenever we start an initiative. We put out fact sheets on various things that are occurring within the department. For example, even more recently, the amendments to The Environment Act, a fact sheet was attached to that. When we took the regulations out for discussion, a fact sheet was put out for public consumption, not just to indoctrinate the public, but to indicate what the areas of interest are. In many cases, and I say this to the credit of those who write it, it is to encourage the public participation based on the information that we can put out on a fact sheet.

That occurs quite regularly. For example, if there is a situation where we are involved in a cleanup in a heavily populated area, and that most often occurs in the City of Winnipeg, we have had occasion to go out, put out and in fact distribute directly fact sheets in the communities to make sure the people are aware of what is truly happening and they are not relying on perhaps hearsay in some cases as to the danger or lack of danger that is in place at a particular time. So it is a very broad area of responsibility, and basically you are responding to and working with all the other facets of the department and with my office.

\* (1640)

**Ms. Cerilli:** When the cleanup is contracted out to a private company, is there a requirement for them

to prepare information for the area that is affected by their cleanup? Does that come through the department at all? How is that handled?

**Mr. Cummings:** Normally not part of a contract. There are probably good reasons for that. Inasmuch as you hire a technical expert to deal with a technical problem, we want them to deal with the problem. Very often they could be involved in providing information to the community, but we also take some responsibility where our emergency response team is involved, because the contract—as I say, we hire the people for their technical abilities not their communication skills.

**Ms. Cerilli:** Is there requirement then for materials to go out to a community when there is some cleanup going on near residential housing or near a community?

**Mr. Cummings:** One of the reasons I wanted to consult with the department is to confirm that this is not a regulated or legislated requirement. It is a responsibility that we take on ourselves to make sure that we work as openly as we can with the communities where something is happening, bearing in mind that I think it is fair to say this is pretty near always a judgment call. There are a lot of activities that go on out there that do not require a communications aspect to them. Others, it is quite obvious that the community has a need to know, and we try to fulfill that need as much as possible.

**Ms. Cerilli:** Would this branch have on record information that a company has sent out to the community when it is involved in cleaning up some type of environmental spill or problem?

**Mr. Cummings:** If I understand the question correctly, we would not provide this kind of backup to a contractor. We take the responsibility and do it ourselves, if that was what the question was? If the question was, do we supply information to a contractor to give to the community, that would not likely be the case. We would take the total responsibility ourselves.

**Ms. Cerilli:** That question was not very clear. I am trying to find out if this branch or, if not in this branch, where in Government, if at all, there is a record of materials that a private company would send out to the community when they are trying to inform the community of their plans to clean up a specific site or to do work related to environmental cleanup in their neighbourhood.

**Mr. Cummings:** I think the Member probably has one or two specific instances in mind. If she has, I would be glad to respond directly to those examples. By and large, we would not have a file of that nature. You could look at the number of times recently—and I think the activity has increased as a result of our desire to do a better job of communicating with the public—where we do go out and put the fact sheets out and go to the community. There are actually orders given from the department to require communication. It may not be worded in the terms of an order, but the department works with a component or with an existing company to try to achieve a better liaison between them and the community rather than having to go through formal environmental hearings, for example.

Very often—and it goes back to the basis of mediation, if you wish—where there are two parties involved, if they come together and clearly disclose what the problems are, they may more than half of the time come to an understanding and agreement. If that is the type of information you are seeking, I can tell you that is done on an ad hoc basis; it is not something that we are required to do. We very often have a moral obligation to try and get a number of these things accomplished so that we do not end up putting processes in under The Environment Act that might well be handled by a better understanding between the proponent and the community, if you will, being one example.

**Ms. Cerilli:** My concern is that there are private companies in the community that are given the responsibility of cleaning up hazardous waste or some type of toxic substance in an area close to residential housing, and that there is often no information that is given to the local residents of what is happening in their very backyard. I am concerned that there is nothing filed with the department that will guarantee that the company is informing the public of what they are doing. Can the Minister give me some guarantee that the companies are informing the local residents when they are doing something that could affect them when they have been given a permit or licence from the department?

**Mr. Cummings:** I will try and answer the question, but I still have a little bit of difficulty in understanding the thrust of the question. I indicated earlier, we do not have legislative requirement to require a contractor who may be hired by the Department of Environment or by another operator to clean up a

site and provide information while that cleanup is going on.

Generally, the decision is made based upon the degree of interest that is shown in what is happening. Of course, nothing would be happening, if there was a perceived danger out there, without communication. If there was an explosive situation, for example, part of the responsibility of the emergency response team, the fire department and any other authority that came there, one of their first responsibilities is always to inform the public and to ensure their safety. The same applies if you are doing a cleanup of any sort.

I have some problem with the question the Member is asking. If, for example, you have an underground gasoline leak, we have on a number of occasions provided information in the community by a fact sheet, taken the responsibility for doing it through the Department of Environment to make sure that the information is clearly independent, as the Department of Environment is expected to be, because in that case, the cleanup is very often being done by the organization that is responsible in the first place.

\* (1650)

They very often also, as it turns out, have the expertise to do the cleanup, so it is proper that the Department of Environment be the ones who would dispense the information in the community so that they can answer questions independently and not be seen to be the agents, if you will, of the organization or the company responsible for the spill.

There are a lot of other aspects to this. It is very discretionary in terms of making a decision. I think it would be wrong to say that every time we went out to pick up a barrel of mixed solvents, for example, behind a dry cleaning plant we distribute a fact sheet in the community, but that is picking up perhaps a waste that they might not have been aware was there.

I think it has to be, and should continue to be, one that is a response from the department that is based on the best judgment that is available at that time. It seems to me it is the kind of thing that would be very difficult to write guidelines for.

The Palliser issue that is going on—and perhaps this is something that has tweaked the Member's comment. The company, with the co-operation and urging of the department, held a meeting with the

local residents to, as I understand it at any rate, explain what was going on. That is also coupled with the fact that there are regulatory responsibilities that we are undertaking in relationship to that company. That is an example of, essentially, a volunteering of information from the company to the community to try and keep them up to date, but really is outside of what would be a legislated requirement by us.

**Ms. Cerilli:** To try and clarify, my concern is, when a company has been given a licence to clean up an area that is near residential housing, that people be informed of the nature of what they should be expecting.

**Mr. Cummings:** Could you give me an example? I mean a specific example.

**Ms. Cerilli:** One of the examples, near Radisson is the cleanup of the Domtar site, and the other question would be: Are there requirements for the private company doing a cleanup to be registered with the department and to facilitate good community relations that the public would be able to phone the department and find out what company is doing the cleanup?

**Mr. Cummings:** That particular issue, I can indicate that early on in the process, newsletters were sent out from the department indicating what was happening and the process that was being undertaken. Now, that may have been long enough ago that there are new residents in the community or people who have not seen that information.

In fact, while that project has been a long time being undertaken, I have to indicate that I have no reason to say anything other than the fact that Domtar has taken a responsible position in coming in with expenditure of some considerable funds to clean up that site. You could argue that they would have been ordered to, but there are countless examples across the country of where companies, involved in the same business as they are, managed to escape the responsibility on a historical basis. This is one of those cleanups where it is not an explosive situation; as I understand it, you are not going to have emissions to air. It is to clean up the site before there are some emissions to water.

So it is not one of those issues that I would see as one that would, other than out of a desire to know, that the public would have any more than a knowledge of the fact that it was being cleaned up and the process that was being used. That information was put out there. Also, of course, they

can phone the department and that information will be supplied. Perhaps the argument is that we should make our information number more readily available, but that information can be readily supplied by a phone call to the department.

**Ms. Cerilli:** As I understand it, the completion of one phase of the project is about to be completed, and they are starting into a new phase of cleaning up of the project. Are there plans for more information to go out to the community, because there have been calls of concern? That is why I am asking the questions, because it seems like it has been difficult for residents in the area to get the kind of information that they are looking for.

**Mr. Cummings:** If the Member is indicating that calls have come to her, if she has had trouble getting information, or if she has attempted to get information and had some difficulty, then certainly we would be more than willing to correct that. I suspect that it is simply a matter of availability, perhaps not even the availability of what would be the best number to call. On that specific issue, we would be more than willing to put out another fact sheet in the area if that would be deemed useful. We always take the advice of the local Member wherever possible on these issues, if you are suggesting that is one way of correcting that fairly surely.

**Madam Chairman:** Item 1.(d) Community Relations: (1) Salaries \$149,600—(pass); (2) Other Expenditures \$72,200—(pass).

Item 1.(e) Financial and Administrative Services: (1) Salaries \$654,200—(pass); (2) Other Expenditures \$156,700.00.

**Mr. Edwards:** I take it we are now in Environmental Management. Am I correct or not? Perhaps we did not pass the other one.

**Madam Chairman:** We have passed Community Relations on page 54, (1) Salaries and (2) Other Expenditures. We are in Financial and Administrative Services. We have passed (1) Salaries \$654,200, but we have not passed item (2) Other Expenditures under that clause—(pass).

Item 2. Environmental Management \$9,888,800  
(a) Environmental Operations: (1) Salaries \$3,229,300.00.

**Mr. Edwards:** Madam Chairperson, I received correspondence recently, and I know the Minister did as well, from Mr. Smith who is the deputy mayor

of Killarney. I wanted to start discussion in this area simply by raising with him a concern brought to my attention by Mr. Smith with respect to the replacement of the environmental officers for the town of Killarney. Can the Minister give the House an update on that matter?

\* (1700)

**Mr. Cummings:** The position is still in Killarney. In our decentralization plan, an allocation of where positions are located across the province, Killarney is indicated as having a health official, but the fact is that we do not have anybody to put in that slot. It is presently being staffed out of Morden. The fact is that there is a shortage of people of that discipline. While it would be nice to be able to say that I could have it filled shortly, I cannot give you that assurance, but I am giving you the assurance that office is to be maintained as an active office.

**Mr. Edwards:** Do I take it from the Minister's response, then, that there continues to be a position vacant, that it is simply a problem in filling that position? Can he give any indication, so that Mr. Smith—perhaps he has already responded to Mr. Smith's correspondence—as to when that position may be filled?

**Mr. Cummings:** As I indicated earlier, that discipline is not the easiest area to find qualified people in. We have a temporary placement to service that area, by taking someone from the Morden area, but that is only on an interim basis. After that, I am afraid that it is all likelihood it will fall vacant again. We just do not have the qualified staff to put in there, although we do attempt, and I think, successfully, in order to meet the requirements of our Act, service it from other areas. As I understand, there is one training location in western Canada where graduates for this discipline come from. They get filtered out pretty quickly before they get across to Manitoba from B.C.

**Mr. Edwards:** I thank the Minister for those statements of clear intent to fill that position, and I, too, hope for the benefit of the people of Killarney that position can be filled as soon as possible.

I want to talk about the Solvit explosion and the role of the Department of Environment and the response of the Department of Environment to that incident. That was an incident, as the Minister well knows, which was of some concern to Members of this House, and Members of that part of the city, indeed all Manitobans. I wonder if the Minister can indicate if the response of the Department of

Environment, in that case, has been analyzed for effectiveness and what, if any, actions have been taken, from the Department of Environment's perspective, as a result of that explosion.

**Mr. Cummings:** My first reaction is that I have some sensitivity in the manner in which that question is asked. I know he did not mean it in anything other than an information-gathering sense, but our department, as has the Department of Labour and the Fire Commissioner's office—they have been examined left, right, up and down, a number of times to make sure that what was done in relationship to that particular explosion was done right, what might have led to the explosion, whether there was something that any one of the departments could have done differently that would have averted that. I suppose, because there is no clear conclusion of the cause of that fire—it ranges from possible arson to possible areas of poor operation—but no definitive conclusion makes it that much harder to analyze whether there was anything that we could have done better or we can from here on in.

The most important thing I think that all three areas did and did very quickly was to make sure that we co-ordinated information very quickly between departments on the licensing of any future operations that would be a similar type of operation, where you have a distillation process using this particular type of equipment.

In my opinion, the Department of Environment's responsibilities had been adequately discharged leading up to the time of the explosion. The response team was on site the night of the explosion quite quickly and worked with the Fire Department to make sure of any steps that were possible, given the conflagration that was going on.

Air monitoring was quickly put in place to make sure that we had portable air monitoring equipment. That sort of thing was done. The cleanup was co-ordinated by the department. Obviously the cleanup was facilitated by the fact that most of the material on site had burned. The amount of hazardous material that had to be cleaned up was considerably reduced, except for underground holding tanks which, to the credit of those who designed those systems, did hold and were not breached, even given the violence of the explosion and the fire that occurred on the ground. The inground storage tanks were secure. I suppose we can say that we learned from that as well, that that system appears to work satisfactorily.

The main thing to be garnered, in my opinion, from that event was that, as I indicated earlier, the three departments must work very closely to make sure that one area of an operation is not in any way compromised by inspectors taking a narrow view of a project, that they look at all aspects of the project when it is licensed.

That is what we always attempt to do, and that was double checked through this process. I think that we did not really identify anything other than the fact that we had the information. We needed to be more cognizant of the fact that it always had to be transmitted interdepartmentally. That has now been addressed. In fact, it was never really identified that there was a shortfall in that area, just that there was a potential for one.

**Mr. Edwards:** With respect to the information which the Department of Environment had prior to the explosion, which I suspect they had, is the Minister satisfied that that information was indeed accurate and that it had been adequately shared with the other departments prior to the explosion?

Is that what he is talking about as well as not just the sharing of information after the explosion, but prior to the explosion, so that the Fire Commissioner and everyone involved has accurate information about what is on this site and where it is?

**Mr. Cummings:** Yes. The responsible director in the Department of Environment was satisfied and continues to be satisfied that everything required under the provisions of their licence in respect to The Environment Act and the Environment Department's responsibilities was within order prior to the explosion.

Just let me expand on that one small bit. There were a number of charges and countercharges as to whether or not there may have been some inappropriate material on site. I would admit that I was a little short tempered when I heard that and asked that every effort be made to determine whether or not that was true. There was never at any time any material that we were able to identify on site that was not previously known to be there and was licensed to be there, despite the fact that there were a number of unfounded statements and rumours that were made regarding the fact that there was improper material stored on the sites.

\* (1710)

**Mr. Edwards:** Madam Chairperson, I must say that I have some sympathy for the Minister. During that

debate, I recall some pictures coming to this House which were not completely accurate as well.

**Hon. Donald Orchard (Minister of Health):** They were false.

**Mr. Edwards:** Well, the Minister of Health puts it more bluntly than I would, but they were certainly misleading at best.

Madam Chairperson, with respect to the final question on the Solvit issue, as I recall at the time, looking at the list of chemicals in Manitoba which were required to be known and reported as to where they were and how much was held, it was a shorter list of chemicals than the federal list under the federal Act. There was some discussion at the time as to whether or not our list should be buttressed by some of the things that the federal Government had on their list. Of course, this is a growing technology. Information is growing and new chemicals are becoming known to be dangerous in certain areas. Has that list been updated, and is it continually reviewed to make sure that it is in fact the most complete list that we can put together?

**Mr. Cummings:** In terms of the federal regulatory list that the Member referred to, there is a federal/provincial committee that works to keep that list updated, and we consistently follow the recommendations of that committee, which ultimately becomes the federal list. The only difference between what would have been included on those two lists was that we had a different system of what we put on the list, where it was going for recycling. That has now been clarified so that there is no confusion about whether the lists are exactly a mirror of each other. It was not anything more than the fact that those materials that were there were being designated for recycling, as I understand it.

**Mr. Edwards:** Madam Chairperson, it is my understanding that approximately a year ago, in November of 1989, there was a federal/provincial program initiated for the cleanup of abandoned contaminated land sites, and there was approximately I believe \$150 million allocated over five years. The funds at that time, it is my understanding, were to be allocated in three ways: one was the federal contribution of up to \$100 million or 40 percent of the estimated cost; another was \$25 million to seed a Government industry program to develop and demonstrate new cleanup technologies; and the final \$25 million was to clean

up sites where federal agencies and departments were the responsible polluters.

Can the Minister indicate the success, the progress, of that program in this province? What, if anything, can he add to the initial statements at the time with respect to that \$150 million program?

**Mr. Cummings:** I do not think there have been any projects in Manitoba that have actually qualified under that historic site cleanup. It is also, I think, correct to refer to it as more of a—where it also refers to the fact that you are looking at orphan sites which the owner cannot be called upon financially to pay for the cost of cleanup. Manitoba does not have any sites that we have been able to qualify under that.

In fact, I remember the debate at CCME, the debate regarding the setting up of the criteria. In fact, the criteria were changed at Manitoba's request, along with a number of other jurisdictions, to allow for some of that funding to be used for innovative research to develop cleanup technologies. We felt that might be the one area where Manitoba might be able to access some money out of that fund, but I do not think we have had any success in that area at this point either.

We potentially could if some of our engineering companies, of which we have some very good ones, were to propose a process or an innovative technology that could be used to deal with those types of sites for cleanup, then we might well be able to access the funds, but really I am not optimistic at this point either on that point or the first one.

**Mr. Edwards:** As the Minister knows, under the program the onus was on the provincial Government to find the sites, to determine the sites, and then go through the program to access the federal money. Has the Government made efforts in the last year to determine those sites, and if so, what efforts have they made to determine whether or not there are indeed abandoned or orphaned sites which are contaminated and would be eligible to access this money?

**Mr. Cummings:** We have an inventory of sites. We do not have the types of sites that qualify under the program which really, unless something is brought to light or some changes are made in the program, is good for the province, that in fact we can identify the owners of where we have some site cleanup that needs to be done.

Therefore, while it would be nice to have the additional funds, if we can identify the owner, our

first responsibility is to make sure that those responsible for the pollution take responsibility for the cleanup.

**Mr. Edwards:** Madam Chairperson, on a new issue, The Ozone Depleting Substances Act, which was put into place approximately a year ago I believe, can the Minister indicate if there have indeed been any prosecutions under that Act since its coming into force and effect?

**Mr. Cummings:** No, there have not been any prosecutions.

**Mr. Edwards:** Madam Chairperson, what resources are available for the enforcement of this Act? How is it enforced in terms of the man years or the person years that are committed to it, the funds that are available and the training that took place when the Act came into force such that the inspectors would be knowledgeable about what to look for?

**Mr. Cummings:** I think I should take the Member back a little bit. While it is correct to say there have not been any prosecutions, we have not implemented the regulations under the Bill. We are still working to accomplish that end. We have been working with the refrigeration associations, and you will recall from committee last winter that they had some very strenuous concerns and recommendations that were raised at that point.

I indicated at that time that the development of the capability to recycle or to reclaim would have to be taken into consideration on the implementation of the Act. We have the authority we need to be able to work within the capacity of the industry to respond to the requirements of that Act. That capacity, frankly, is only now starting to become available.

\* (1720)

We have the larger automobile dealers, for example, who now have some reclaiming capacity. It was our expectation that some more reasonably priced reclamation equipment would be available for smaller operators, so that they could become actively involved in the reclamation of CFCs.

The other thing I think that needs to be considered in this respect is that we do not need to have a trained SWAT team out there, as it were, looking for ozone depleting substance violations. We believe that this, in the initiating stages, will have to have an approach that brings the industry along with the enforcement of the regulation. We do not anticipate a great deal of trouble in meeting the global

deadlines and reduction of release of ozone depleting substances.

The fact is that Manitoba is also home right now to one of the leading potential replacements for CFCs in refrigeration. If that should come to fruition, we will be that much more quickly off the mark in replacing these products which then reduces the need for regulatory control, because they simply will not be in use anymore. It is the cryogenic process—cryodynamics.

**Mr. Edwards:** Madam Chairperson, at the time, back in November of 1989 when this Act was proposed, it was indicated that certification and procedure requirements for people servicing air conditioning and refrigeration equipment, which was going to be regulated starting in 1991, would be developed with the industry for implementation next year, that being said at the end of 1989. Have those discussions taken place and are there now certification and procedural requirements for people servicing air conditioning and refrigeration units?

**Mr. Cummings:** I believe there is something off in the timing in the reference of that being in '89. It seems to me that Bill was passed with the intent that the enforcement would occur in '91. We are moving in that direction. The draft regulations are ready and will be taken out for discussion. That is really when the you-know-what hits the fan, because the technicians out there will clearly see what they will have to be complying with. We are hoping that coincides with the availability of the equipment to do the reclamation.

**Mr. Edwards:** Madam Chairperson, just so the Minister knows what I am reading, one of the documents that I have in front of me is a package. One of them was a press release dated November 22, 1989, which indicated that CFCs in commercial-sized air conditioning and refrigeration units must be recovered and recycled when they are serviced beginning in 1991. We are now very close to 1991. The Minister seems to be indicating that we may be a ways off yet before we reach that. Can he indicate what the revised timetable for that might be?

**Mr. Cummings:** Without trying to avoid the obvious, I could argue we have almost 13 months to achieve the timetable that the Member has in front of him there. We hope to be able to acquire that capacity during 1991, but I will repeat continually, as I said when we introduced this Bill, that we were out in

front with the legislation, that we would follow with the regulation, work closely with the capacity. There is no use of making everybody a criminal if they cannot acquire the capacity to do the recycling. We believe that we can bring the two together and make it work.

You will get a lot more compliance if the capability is out there for that recovery equipment, and we think that is now in place. The discussion on the regulations will lead the technicians to start moving expeditiously knowing that those regulations will start to be enforced very shortly.

**Mr. Edwards:** Madam Chairperson, I certainly agree that a forthright approach to legislation like this with the industry is appropriate. You do not really get anywhere by banging someone over the head at the outset. You may have to resort to that, but I get the sense that the fast track, which I think was clearly the intent of the press release, has not really come to fruition.

Let me pose one more example to the Minister. This is 1989, and it is indicated that certification and procedural requirements for people servicing air conditioning and refrigeration equipment is being developed with the industry for implementation next year. Now next year when this was written was 1990. We are now very close to the end of 1990. Have in fact certification and procedural requirements been developed in consultation with the industry, and are they ready to be put into place?

**Mr. Cummings:** As I indicated, the Member could argue that we could be there faster, but we have the draft regulations in hand, and they will be going out for discussion. That leads very quickly to the proclamation of the regulations which then leads to the enforcement. He can argue if he wishes, and I would not want to give him any other impression that perhaps I may have left the impression that we would be ahead of time frame on this. I think we are, however, within the time frame that we had forecast, and certainly it is my understanding that we are well within the national time frames for the elimination of CFC discharges. I believe 1997 is now the goal for total elimination of production of CFCs, so we felt that we were out front with the legislation. Yes, we could move faster on the regulation, but we think that we are within reasonable target limits.

**Mr. Edwards:** Madam Chairperson, I do not want to belabour the point, but perhaps the Minister may want to peruse the press release because they are

taken seriously. I certainly read them. I look at the time frames, because it has a significant impact on how one views the legislation and the wording is, implementation in 1990. Now, I do not say that should be at this point unduly rushed. I simply say that, you know, back in 1989, some 13 months ago now, that commitment was made. If we are still potentially 13 months away, then there was a promise really which is not being kept.

With respect to the regulation of Halon-based fire extinguishing systems, which were going to require permits beginning in 1991, is that going to happen?

**Mr. Cummings:** We are trying to recall what the draft regulations say. We do not have them here with us, but I believe that they are in fact prohibited. So on the implementation of that regulation, they will become illegal, but I stand to be corrected on that. I do not have the information right in front of me, and I do not want to put any misinformation on the record about the speed of implementation of these regs.

If we made this a No. 1 priority and pushed it ahead of everything else in the department, yes, we could be out there enforcing those regs today. We have made this one of the priorities of the department, and it is moving along, I would agree not as fast as we would have assumed but given the workload and the number of initiatives the department is involved in, I am not entirely unhappy with the fact that we will be capable of implementation in '91. I think that falls also within what would be the normal expectancy of the industry to be able to respond.

**Mr. Edwards:** Madam Chairperson, that may be that that was a reasonable assumption at the time, and no doubt it has been a busy year for the Department of the Environment. I think they could have predicted it was going to be a busy year in November of 1989, and I draw to their attention again that they spoke of implementation in 1990. That has not happened.

The other commitment which is indicated, that the Minister indicates, that consultations would begin immediately to determine Government plans for further restrictions during the next eight years. Then it goes on to recount that, of course, the final stage is the 1997 date at which destruction of all CFC refrigerants is to take place. Have the consultations taken place? What Government plans are there at this point for further restrictions in the coming years?

\* (1730)

**Mr. Cummings:** The short answer is, yes, we are actively participating in the national planning and strategy. We think that Manitoba will be able to comply within those time frames and probably even be a little bit ahead of the final deadlines.

**Mr. Edwards:** I guess I am just wondering what further restrictions does the Minister contemplate during the next eight years which it is indicated he was starting to think about in November of 1989.

**Mr. Cummings:** It would be a little hard to give an accurate response to that except that what I would envisage is that very easily identifiable large potential discharges of CFCs are obviously in your commercial areas, large commercial compressors. As soon as the technological capacity is there and the financial capacity, I think that the Bill envisions, through regulation, additional control.

That, you will recall, was one of the issues that the industry raised at committee, how we could and how we did respond even in terms of—particularly in that case I think it was the federal Government, but in both federal and provincial tenders for example—equipment that is being tendered to go into buildings. Those sorts of issues are contemplated and have to be dealt with up front in order to economically respond to the 1997 deadline.

**Mr. Edwards:** I want to move on to talk about lead contamination. As the Minister knows, there was an issue which was raised specific to a day care some time ago by the former critic for my Party with respect to lead contamination.

I do not mean to rehash that issue, but I would like the Minister to indicate what his department is doing in taking a pro-active approach to lead contamination in public buildings and indeed in all venues which may affect the health of Manitobans.

**Mr. Cummings:** A couple of things respond to that concern. First of all, our job is made considerably easier by the change in national standards for gasoline. Lead-free gasoline obviously eliminates the biggest source of lead pollution that we had, certainly in the urban setting. Unfortunately, we also lost one of the large battery producers in the province.

Workplace Safety and Health would have the lead responsibility within the workplace, and the Department of Environment of course has the capacity to respond where there are emissions to air, water or soil. In fact, we did respond in terms of the day care along Broadway.

There have been other issues historically that have shown up. Going back to when the Premier (Mr. Filmon) was Minister of Environment, there was a playground that was identified as having a high lead level and soils were actually replaced on that playground. That is a direct result of emissions from automobile exhaust which, as I say, is now largely eliminated.

So, in terms of taking a pro-active position, I would say that our position is not so much pro-active in terms of the outside responsibilities we have but as one of being aware and on top of any situations that we can identify. Our job, I think, should be much easier over the next two or three years on this one issue.

**Mr. Edwards:** How does one come then to know whether or not a playground or something under the jurisdiction of the Department of Environment, air or water or land, is contaminated? Is there any attempt to identify what those places might be based on certain criteria? There must be certain criteria which would lead you to believe that a certain playground may have unacceptable lead contamination. Are we to take it that the department simply waits for somebody somewhere to be twigged to the fact that there may be a lead problem?

**Mr. Cummings:** We do ambient air monitoring which would give us some indication if there was potential, from whatever source, building up that might cause us to do further investigations. Frankly, we are not actively involved in taking soil samples, for example, and that was why on main thoroughfares, if you will. That is why I indicated that probably we can assume that a great deal of the potential for increased contamination has now been eliminated by the change in fuels.

The fact is that there are other issues surrounding lead which goes back more to whether or not there are old-style plumbing connections and those sorts of things, which are a combined responsibility essentially between this department which has testing capacity and, of course, Workplace Safety and Housing all have some responsibilities. We know what the potentials are there. It is a matter of making sure that the identifiable areas of contamination are dealt with in what can be a very simple process which is to flush the lines daily in the morning.

Institutionally, that is as I recall—and I do not have recent experience with it—that was advised by the

city and their health inspectors on one or two locations in the City of Winnipeg.

**Mr. Edwards:** With respect to the comments made in the Minister's opening speech which was handed out—I do not think he read it into the record—but it talked about radon and a province-wide household survey. Can the Minister indicate what the results of that survey have been?

**Mr. Cummings:** In the questioning from the Member for Radisson (Ms. Cerilli), I indicated that information is not completely finalized, but it will not be too long before it is ready for release. The work has been ongoing as you can appreciate, but the fact is that coupled with the gathering of information has been a public information process to get those who have concerns to use what is a very simple testing process that is available. If they get a reading, allow us to be—one of the reasons we are involved in the promotion of the system is that we also gather the information from the results of that as much as possible, and that we can then advise on what are very often some very simple means of remediation. We do not have the information available yet, but it will be.

**Mr. Edwards:** I do not mean this facetiously. I perhaps have missed a brochure which went out. I see that there was some public information. What is the process for involving the department getting a radon check? I happen to represent an area that has older homes. A lot of them have basements, and a lot of people are concerned about radon. Is there in fact a process whereby people can get an affordable reading on the radon in their homes, because I think that is one of the major problems? People think, well, I can go to the private sector and that is going to cost me hundreds of dollars. Can the Minister indicate what his department is willing to do to assist?

\* (1740)

**Mr. Cummings:** This is the brochure that the department put out. I understand there were 17,000 of these that went out and have been distributed. It gives the information in here as to how you would get the testing done. The department does not do the testing. We did not gear up to have that capacity. There are a number of firms out there that can do it. As a matter of fact, by acquiring a very simple test kit, it is virtually something that one can do themselves, but would have to pay for the cost of the test. All the information is included in here. I must

tell you that since I tested my home a year and a half ago I have not looked at this thing again. I have to refresh my memory if you want any more answers.

**An Honourable Member:** How much radon did you have?

**Mr. Cummings:** Actually, I have a low reading.

**Mr. Doug Martindale (Burrows):** I do not want to disappoint my honourable friend from Pembina, and therefore, I have some questions for the Minister.

I would be interested in knowing in what ways your department co-operates with the federal Government, and I am not thinking of the amendment that was brought in. For example, the Hazardous Goods Act is a federal piece of legislation. It governs, amongst other things, the transport of hazardous goods by rail. If there were an accident involving, say, a train going through Winnipeg, what jurisdiction, if any, would your department have, or because it is a federally regulated transportation industry, would it be strictly the federal Department of the Environment or are there ways in which your department would co-operate with federal officials? If so, in what ways?

**Mr. Cummings:** The Member raises a good question and one that, however, has a logical answer. First of all, the regulatory authority is the federal Government. The day-to-day regulation and control of that traffic is handled by the federal regulating authority, but if there is a concern that is identified to us, of course, we feel that we do have a good working relationship with them. The department indicates that they work quite co-operatively with the regulating authorities.

If there was an emergency, I can assure you that there would not be any questions asked about whether this is a federal or a provincial problem that our response team, which is on call 24 hours a day, would simply go. The fact is, as with almost all other environmental issues, it really does not give a damn where the boundary is. If you had a spill that went anywhere, it would automatically fall into our jurisdiction to be available and be co-operative and helpful wherever possible.

**Mr. Martindale:** Madam Chairman, a number of years ago after the Mississauga rail disaster, I know the mayor of Winnipeg visited Mississauga and was familiar with their new responses that they put in place especially after that disaster, and there were

plans to buy a mobile command centre. Now I do not remember whether the City of Winnipeg actually bought that or whether it was something that was jointly funded by the province and the city.

Maybe you could tell me if such a mobile command centre was ever purchased and whether it is jointly funded by the city and the province. If so, if there was an accident, who would staff it? How would they share responsibility in the case of an accident?

**Mr. Cummings:** We do not have the mobile response equipment that you might be referring to. It is our understanding that it may very well be lodged with EMO. The Department of Environment does have emergency mobile response capacity with good communication links, monitoring capacity and emergency equipment.

I think what you are talking about is the equipment that probably EMO—we collectively here believe they still have it, but I cannot be 100 percent sure and I do not know why they would not.

**Madam Chairman:** Item 2.(a) Environmental Operations: (1) Salaries \$3,229,300—(pass); 2.(a)(2) Other Expenditures.

**Mr. Martindale:** I am sorry. I did not agree to pass. Can I go back to (1) Salaries?

**Some Honourable Members:** We passed it.

**Mr. Martindale:** I was on my feet, Madam Chairperson.

**Mr. Cummings:** Rather than retracting it be passed, I will undertake a question.

**Mr. Martindale:** Okay, I would like to know—I see the salaries are up \$122,000.00. Perhaps you could tell me the number of staff years and the reasons for the increases, whether it is just a salary increase or whether it is a hiring of new staff?

**Mr. Cummings:** I am pleased to report that this does not include my massive increase. This change is related to salary cost due to merit increments, pay equity adjustments, reclassifications, salary costs related to four new positions.

**Mr. Martindale:** Other Expenditures, this is up \$43,000—could the Minister tell us the reason for the increase here?

**Mr. Cummings:** These costs that you identified would be related to establishing four rural regional offices in Brandon, The Pas, Steinbach and Winkler; provide for office operating costs; and there will be

some costs that will be associated to relocation of employees. This is not only part of the provincial Government's initiative to decentralize, when the department was reorganized we reorganized on a regional basis. So it automatically fell together at the same time as the provincial initiative.

**Madam Chairman:** Item 2.(a) Environmental Operations: (2) Other Expenditures \$626,900—(pass).

Item 2.(b) Environmental Management.

**Mr. Edwards:** Madam Chairperson, with respect to the parks in Manitoba, I realize that primary jurisdiction for those falls under the Department of Natural Resources. However, I think the Minister of the Environment may have some concern for how Manitoba's parklands are handled. It is from that perspective that I want to ask some questions about the parks in Manitoba, and his ideas about the need for a new parks Act for Manitoba.

As he may know, today it is possible in a Manitoba provincial park to hunt, mine, tree cut, gravel extract, grow crops, take out water and drill for oil, or any and all of the above. It is my view that is indeed a far cry from the mandate that was established in The Provincial Park Lands Act of 1972. I wonder if the Minister can indicate what pressures he is no doubt putting, as the Minister of Environment, on the Minister of Natural Resources (Mr. Enns) to come up with a new parks Act for this province?

\* (1750)

**Mr. Cummings:** I would invite the Member to raise these questions with the Minister of Natural Resources. The Department of Environment in Manitoba is a department that was felt to be a regulatory department and was separated from Natural Resources. In the federal system, the parks branch is lodged with the Department of Environment. While I might have some comment, I am not going to make Government policy statements in an area that I am not well versed in, and I think those questions should be asked in Natural Resources.

**Mr. Edwards:** Let me just remind the Minister of his mandate, the objective of this particular Estimate line. The objective is to manage the Manitoba natural environment by anticipating and preventing environmental problems, and by protecting and enhancing the natural environment in co-ordination

with other Government and non-Government stakeholders.

Provincial parks are indeed set up and primarily regulated by the Department of Natural Resources. We know that. Is the Minister of Environment (Mr. Cummings) saying that he does not see himself and his department as having a role in ensuring the environmental sanctity of our provincial parks, because right now that sanctity is being abused? What has he done? Perhaps nothing. What has he done to bring home to his colleague the need for a new parks Act in this province, which more accurately portrays the original mandate which was to preserve these lands in their pristine form for future generations of Manitobans?

**Mr. Cummings:** Again, I think this is a rather futile line of questioning. While I will not hide behind any kind of a procedural skirt, if you will, I think that the time has come for the Member to recognize that I am not going to presume to lecture my colleagues in terms of the parks Act. The responsibilities that I administer are for the protection of the environment, particularly where there is developmental undertaking, without getting into the larger debate of whether or not he thinks, or whether I think, there should be anything going on in parks other than letting the grass grow and the birds fly.

Anytime an activity occurs anywhere in this province that has an impact on air, water or land, we will regulate it for the best possible preservation of the environment in that particular area. That includes the areas to which he refers, but I think that this is not the forum to debate parks policy.

I recall very well, on the election trail, being with Captain Chaos. We did answer the questions regarding parks policy, but then we are doing environmental Estimates today, and I would suggest he should restrict his questioning to that.

**Mr. Edwards:** Madam Chairperson, despite the insulting innuendo that the Member has left on the record for my colleague the Member for Wolseley, clearly unparliamentary, there is no doubt that many ethicists would raise to Mr. Taylor's mind about the Honourable Minister, which I know that he often restrained himself from using. But despite that, is the Minister saying that he has no advocacy role with respect to the parks in this province which are—

### Point of Order

**Mr. Martindale:** On a point of order, I would like to correct the Honourable Member. He meant the former Member for Wolseley, not the current Member for Wolseley (Ms. Friesen) in his remarks.

**Madam Chairman:** The Honourable Member for Burrows does not have a point of order. It is a clarification of facts.

\* \* \*

**Mr. Edwards:** I would not have lodged that complaint if I had been talking about the current Member for Wolseley. Clearly, that would have been a far more accurate portrayal.

I do not want to belabour asking the Minister questions he is refusing to answer, but I want to get very clear on what he sees his role as, if any, with respect to environmental concerns vis-a-vis the parks under provincial jurisdiction in this province.

**Mr. Cummings:** We obviously, as I stated before, have a responsibility in terms of environmental protection and regulation. In no way do I want to abrogate my responsibility as part of Executive Council, to make decisions on larger policy issues, for example, what usages could be allowed within parks.

This is the regulatory Department of Environment. This is the regulatory responsibility that we are dealing with. I will exercise my responsibility as a Member of Executive Council to work within that framework to develop policies. I am not here today, however, to debate the policy that we would, in the long-range, continue to use or would amend in the future. I think that we should continue to proceed as we have, rather fruitfully I think, with the Estimates at hand.

The Member may as well either put his words of shock and dismay on the record and let us get on with it, or leave the fact that he is not going to get me to make a policy statement on parks during Environment issues.

**Mr. Edwards:** I am not doing this for the good of my health, but I do want to just remind the Minister, before I move onto another area, that his statement that it is a regulatory department is at odds with what he has on his own documents and at odds with the things which he has put on the record throughout the Estimates process. The Minister for Health (Mr. Orchard) feigns horror, Madam Chairperson. It does

no service to his reputation or that of his Government to not stand up for the parks of this province and the environmental sanctity of those parks which was the original mandate of the Act.

The objectives as stated, and I am reading the department's materials, are to anticipate and prevent environmental problems, to protect and enhance the natural environment, to develop air, water and terrestrial quality objectives in the department. The Minister appears to be saying that does not include the provincial parks. Therefore, having no responsibility either in respect of preventing damage, or in being an advocate for the environmental quality of the parks, he has no responsibility to answer questions in this House on that.

If, in fact, he is not saying that, will he answer the questions which are: Will he act as an advocate, is he willing to do that to stop the desecration of the parks which is presently taking place in this province?

**Mr. Cummings:** Madam Chairman, the Member for St. James wants to debate park usage. The fact is that there is no area in this province that the Department of Environment does not have a responsibility in providing leadership, providing direction for protection of the environment, and the enhancement of the environment where that is needed and useful.

Again, he tries to abuse our willingness to be open and accommodating in the Estimates process. For

me to get into a policy discussion—and I would not object to doing it, but I think that sooner or later we have to draw the line on what latitude we are going to allow in the discussion of the Estimates of the Department of Environment.

We have spent probably an hour this afternoon discussing the Innovations Fund and portions of it within my department, but we strayed far beyond that, and I did not object. I presume that when we get to the Innovations Fund itself things will go quite expeditiously. That is the basis upon which I am operating.

I am not going to go into a policy discussion on an area that has an adjacent responsibility and an area in which we have overlapping responsibilities when it comes down to a discussion on the basic premises of how parks are developed and regulated in this province. That is not part of the Estimates discussion of this department, and therefore, that is all the discussion he is going to get out of me.

**Madam Chairman:** Order, please. The hour being after 6 p.m., committee rise.

Call in the Speaker.

#### IN SESSION

**Mr. Speaker:** The hour being after 6 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

# Legislative Assembly of Manitoba

Tuesday, December 4, 1990

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