



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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**VOL. XXXIX No. 9 - 1:30 p. m., TUESDAY, OCTOBER 23, 1990**



**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
MALLOWAY, Jim	Elmwood	NDP
MANNESSE, 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, October 23, 1990

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### TABLING OF REPORTS

**Hon. Gerald Ducharme (Minister of Housing):** Mr. Speaker, I would like to table the Manitoba Housing, Landlord and Tenant Affairs Report on the Administration of the Rent Regulation Program for the fiscal year ended March 31, 1990.

**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Speaker, I am pleased to table the report of Manitoba Mineral Resources for the year ended December 31, 1989.

**Hon. Jim Ernst (Minister of Industry, Trade and Tourism):** Mr. Speaker, I would like to table the report of the Manitoba Horse Racing Commission for the period 1989-90.

**Hon. James Downey (Minister of Northern and Native Affairs):** Mr. Speaker, I take pleasure in tabling the 1988-89 Annual Report of the Department of Northern Affairs, A.E. McKenzie Company Limited, and Communities Economic Development Fund.

**Hon. Edward Connery (Minister responsible for The Workers Compensation Act):** Mr. Speaker, it is my pleasure to table the Annual Report of the Workers Compensation Board.

### INTRODUCTION OF BILLS

### BILL 2—THE WORKERS COMPENSATION AMENDMENT ACT

**Mr. Steve Ashton (Thompson):** Mr. Speaker, I move, seconded by the Member for Radisson (Ms. Cerilli), that leave be given to introduce Bill 2, The Workers Compensation Amendment Act (Loi modifiant la Loi sur les accidents du travail), and that the same now be received and read a first time.

**Motion presented.**

**Mr. Ashton:** Mr. Speaker, as is permitted by our rules, I would like to briefly introduce the Bill. This Bill would reinstate the protection that firefighters

received going back to the Roblin era that was struck down by Justice Lyon in 1988 in the Manitoba Court of Appeal. We intend on bringing through this type of legislation, because we feel that firefighters need greater protection and greater recognition of the hazards they face. There are many medical studies that have shown that they face higher risk in terms of cancer, lung disease and other ailments and also that not only firefighters, but families and offspring of firefighters are also faced with those same hazards.

We will be tabling a petition of 18,000 Manitobans, Mr. Speaker, supporting such legislation. We hope that all Members of the Legislature will listen to those Manitobans and specifically to the firefighters and provide them with the recognition they deserve in Workers Compensation legislation.

**Mr. Speaker:** Agreed? Agreed.

### SPEAKER'S STATEMENT

**Mr. Speaker:** I have a statement for the House and I believe it is going to be passed around right now.

As Members know the Manitoba Legislative Internship Program has been in operation since 1985. Each year a total of six interns are chosen for the program.

\* (1335)

Again this year, two interns will be assigned to each of the three caucuses. Their term of employment is 12 months. During their term, interns perform a variety of research and other tasks for private Members as distinct from Ministers. They participate in a series of academic seminars on the political process in Manitoba and are required to prepare an in-depth research paper on some aspect of the legislative process. Successful applicants for the program are chosen on the basis of their academic achievement and potential, personal qualities such as maturity, responsibility, judgment, tact and discretion and a demonstrated interest in the legislative process.

My purpose today is to announce the names of the six young people who have been selected to serve as Manitoba's 1990-91 legislative interns.

They commenced their assignments in September. Working with the Government Caucus are: Ms. Eileen Derksen of the University of Manitoba and Miss Sandra Zinchuk of Brandon University.

Working with the caucus of the official Opposition will be Mr. Jurgen Feldschmid of the University of Manitoba and Mr. Roger Neufeld of the University of Winnipeg.

Working with the caucus of the Second Opposition Party will be Mr. Pratik Modha of the University of Winnipeg and Ms. Michelle Scott of the University of Manitoba.

Brief biographies of these newly appointed interns and an information paper on the program are being distributed to all Members.

## ORAL QUESTION PERIOD

### Economic Growth Government Strategy

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, my question is to the First Minister. Every day, unfortunately, we hear more and more predictions of negative economic growth in the Province of Manitoba. Many of the predictions now belie the comments made in the Speech from the Throne by the First Minister that we indeed have a strong economy in Manitoba, and it requires some honest and direct action, we believe. We hear the stories of consumer confidence. We hear the predictions on housing starts being down 31 percent. We know that manufacturing jobs are being replaced by part-time jobs. Now we have the Royal Bank of Canada predicting .3 percent, almost a zero percent growth for 1991.

My question to the Premier is: What corrective action and strategy will his Government take to ensure that Manitobans do not go into this recession and that we can ensure that Manitoba families and workers are protected in these tough economic times?

**Hon. Gary Filmon (Premier):** Well, of course there are a whole host of things that this Government has been undertaking ever since we have been in Government. We saw it immediately, because we saw the signs of destruction in the economy that were left by the New Democrats by leaving us with the second highest overall rates of taxation anywhere in the country, leaving us with a debt that was \$10 billion, that had more than doubled in just

six and a half years under the NDP, leaving us with deficits that successively year after year after year were in the range of a half billion dollars, leaving us with massive tax grabs, Mr. Speaker, that had destroyed the confidence of consumers, businesses, investors, and so on.

So of course we set about to change that. For the first time in many, many years we lowered personal taxes, putting substantial money in the pockets of individual families in Manitoba; a 2 percent reduction in the personal tax rate; an increase, substantial increase, five-fold increase of the deductions for dependents. In addition to that of course we removed the payroll tax from two-thirds of the businesses who had been paying that tax formerly under the NDP. Of course as a result of that some good things did happen. There are 25,000 more people employed today in Manitoba than there were in April of 1988 when we took office.

We have outperformed the national average in a whole host of -(interjection)- Mr. Speaker, you know, we have the person in the second row for the Liberal Party, their former House Leader, their Finance Critic, who is afraid to ask his own questions, who sits there and chirps and tries to shout me down when I am answering the question. I do not think that that is the kind of attitude, I do not think that that is the kind of approach that I can tolerate—

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

\* (1340)

**Mr. Doer:** Mr. Speaker, perhaps with the bad news today, the Premier could start to take—I know it is going to be difficult—start to take the high road for a change. We are facing some very serious problems. The predictions in the Royal Bank today indicate that Manitoba will be third out of three provinces in the prairie provinces. In fact, our growth in 1991, while this Premier is the Premier of this province, will be lower than Atlantic Canada.

Now, given the rhetoric of the Premier, the recorded announcements of the Premier, they are cold comfort to the workers, the railway workers, the manufacturing workers, these people that are being laid off every day.

My question is a very serious one. Will this Premier now admit that we have a very serious problem in our economy, and will he now take on his responsibility and develop a strategy to deal with a very real crisis facing our economy and working people and their families in our province?

**Mr. Filmon:** I think it is a serious problem, Mr. Speaker, because we have been talking about it for the past two and one half years. To be left with a \$10 billion debt, a debt that more than doubled in six and a half years of NDP mismanagement, is a devastating situation for a province of this size. To be left with the second highest overall level of taxation of any province in this country is a devastating situation for a province of this size; to be left with annual deficits running in the range of one half billion dollars, to be left with a Government that was bringing in anti-business Legislation time and time and time again, with Workers Compensation rates that had doubled in five years, that were projected to continue to increase at 20 percent a year for the next five years, those were devastating circumstances to leave for people who wanted to invest and create jobs and opportunities in this province. We have been working very, very hard to try and counteract that kind of devastation, those destructive policies.

As a result of that, both in 1989 and 1990, we have private capital investment increasing much beyond the average in this country, very, very high levels, about 14 percent in 1989, about 8.5 percent in 1990. We have growth rates in this province that were second highest in the country in 1989 that this year are going to be well above the national average still in 1990. That is as a result of changed policies to address that kind of mismanagement and devastation that were left here by the NDP.

**Mr. Doer:** The facts of the matter are there are less full-time workers today than there were in May of 1988 when this Premier took office.

Mr. Speaker, my question to the Premier is: Is he going to abandon -(interjection)- He wants to change the date he got sworn in now. Is the Premier going to change the policy of the Government, in light of the fact that the sneak preview of the budget that will be tabled in this House tomorrow in the First Quarter Report indicates that corporate income tax went down \$8 million, personal income tax went up, and the revenues are now at one-fifth of 1 percent, meaning this province is indeed in a recession, contrary to the comments of the Premier? Will he now develop a strategy to really deal with people and their lives as they are affected in 1981 by his Tory economic policies?

\* (1345)

**Mr. Filmon:** We have not changed the corporate tax

rate in this province. It remains as it was when the NDP left it at the highest level of any province in the country, the corporate tax rate. In addition to that, a payroll tax that exists in only three provinces, two others plus ourselves, in this country, in addition to capital tax levels on banks and other capital tax levels that are the highest in the country.

Is he now recommending that we raise those tax rates to corporations and make us further non-competitive and further -(interjection)- Mr. Speaker, the fact of the matter is that for two straight years we have had growth levels in both investment and in actual growth that are amongst the highest in the country. That has happened as a result of changes that we have been making. We will continue to make changes to keep taxes down to ensure that our deficit is no higher than it needs to be, and we will continue to do the things that have ensured that we have 25,000 more people employed today than were there in April of 1988 when we had the last election that turfed out unceremoniously the NDP.

### Judicial System Public Protection

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, my question is to the Minister of Justice. In light of some of the recent comments and concerns being expressed by the public and others involved in the justice system, what steps if any is this Government undertaking to protect the public in the area of convicted offenders?

**Hon. James McCrae (Minister of Justice and Attorney General):** I think I heard the Honourable Member ask what the Government of Manitoba is doing to protect the public from convicted offenders. In that respect he was not more specific, and maybe he is saving that for his next question.

We deal with convicted offenders through the judicial process. Judges at the various levels impose various sentences. Some of them require time in custody. Some of them require probation. I think I would be best to wait for the Honourable Member's next question. Probably out of respect for the rules, the Honourable Member kept his first question short. I really do appreciate that.

### Cutbacks

**Mr. Dave Chomiak (Kildonan):** I will provide a memo to the Minister which indicates that contrary

to his comments and the belief of judges and others, people on supervised probation are being told to not see their probation officer. Is this a result of cutbacks in the justice system?

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, clearly the Honourable Member has not been here for the past two years, and that is not his fault. The fact is that the budget for my department has been treated far more generously in the past two and a half years than in many, many years previous to that.

The Honourable Leader of the Opposition (Mr. Doer) knows exactly what I am talking about, because he knows how his administration starved the Department of Justice for years.

### Probation Services

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, since neither of my questions was answered, I will ask a third question.

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

**Mr. Speaker:** Order, please; order, please. I would like to remind the Honourable Member that we do not comment on the previous answer whether we have received it or whether we have not received it.

The Honourable Member for Kildonan, kindly put his question now, please.

**Mr. Chomiak:** My final supplementary is: Will he also confirm that individuals at probation services are frustrated and in a state of crises because men and other individuals who are abusers have to wait four to five months to receive the treatment that is being ordered by the courts?

**Hon. James McCrae (Minister of Justice and Attorney General):** I can confirm, Mr. Speaker, that every time an offence against the person is committed in this province there are those in the system who are going to feel frustrated, not the least of whom are the victims of those offenders. Obviously, a justice system operates not without frustration every time a crime is committed. We have done the best that we can with the resources that we have, far more generous resources than the Government the Honourable Member represents and supports ever provided to Justice services.

We have in various areas of our endeavours the probation system and in the corrections system counselling programs for those who are abusers, those who are guilty of violence against the person,

so that there are things that are in place today that have not always been in place. Perhaps if the Honourable Member took the opportunity to meet with me, we could go through chapter and verse of the very numerous measures and initiatives that have been brought forward in this province to make this a safer place to live.

\* (1350)

### Parent-Child Centres Funding

**Mr. Reg Alcock (Osborne):** Mr. Speaker, I would like to begin by tabling a file full of letters of support from parents and other agencies for the parent-child centres in the City of Winnipeg.

Mr. Speaker, if we are ever going to build prevention programs that intervene with the causes of violence in this community, we are going to have to use centres such as this that reach out to families before problems arise, to provide support to families and children before problems arise.

On October 15, the Minister said when asked a question about support for these centres that any indications on funding will have to wait for the coming budget. On Friday, Mr. Speaker, the members of one of the centres were told not to be optimistic about tomorrow's budget, that there would not be a funding increase.

Can the Minister confirm or has the Minister made a decision on the funding for these centres?

**Hon. Harold Gilleshammer (Minister of Family Services):** Mr. Speaker, I think it is important for the Member and other Members to note that we have never funded the parent-child centres, that they have accessed funding from other organizations.

As to the details of the budget, he like others will have to wait till it is tabled tomorrow.

**Mr. Alcock:** Well, I note that, Mr. Speaker, but he is the Minister of Family Services. He does have a responsibility to see that preventative programs continue to operate in this city, and his predecessor made a commitment to support these centres in this budget.

Now, has he gone back on the commitment made by the former Minister?

**Mr. Gilleshammer:** Mr. Speaker, I think the Honourable Member is taking some licence with discussions that the previous Minister had. I would

repeat again that he will have to wait until the budget is tabled tomorrow.

**Mr. Alcock:** Mr. Speaker, let me take licence with his own statements. He said on the 15th these services will have to be provided by the existing agencies.

Has he instructed those agencies to begin to provide these services?

**Mr. Gilleshammer:** Mr. Speaker, I would indicate again that we have never funded parent-child centres and that they have received their funding from other sources in the past. As to the details of the budget, I would again say that he will have to wait till tomorrow.

### Free Trade Agreement - U.S.A. Report Tabling Request

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, on Friday, October 18, the Minister of Industry, Trade and Tourism (Mr. Ernst) suggested that the Government, to quote him, has ample evidence of the fact that we have had increased trade with the United States, and indicated further that there were significant benefits to the Province of Manitoba.

Mr. Speaker, in light of the fact that the Manitoba Bureau of Statistics indicates that we have had a deterioration in mining of 37 percent; manufacturing, of 36.5 percent; total trade, both retail and wholesale, of 47 percent; and a total increase in our trade deficit of 46 percent, can the Minister of Industry, Trade and Tourism table today any substantive information that he has that Manitoba is in fact better off under free trade?

**Hon. Jim Ernst (Minister of Industry, Trade and Tourism):** Mr. Speaker, the Member for Flin Flon again continues to put out the doom and gloom that his Party is famous for, that has gone on for the past number of years and has created significant levels of concern amongst the public with their constant doom and gloom, despite the fact that, for instance, the study that was done by Prairie Research listed today in the newspaper indicated that two-thirds of the people of Manitoba still have a positive feeling about Manitoba despite the kind of gloom and doom that is put forward by my honourable friend across the way.

The fact of the matter is, as the Premier indicated earlier today and on earlier days, we have projected real GDP growth in the Province of Manitoba of 2.5 percent. That will be third in the country and twice

the national average, Mr. Speaker. Capital investment in this province is 10.5 percent, fifth in the country, and well above the national average of 6.4 percent.

### ERDA Agreements Renegotiation

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, the Minister of Industry, Trade and Tourism continues to keep his head firmly planted in the sand.

Mr. Speaker, I want to move to another question to the same Minister. As of March 30, 1990, ERDA agreements worth \$288 million in federal contribution have ended. Can this Minister indicate to this House whether there is any substantive progress on a renegotiation of a tourism agreement, mineral development agreement, forestry agreement, northern development agreement, all of which are critical to our recovery as a province in terms of developing our economic infrastructure? Is there any progress that he can report? Is the Government in fact doing anything to make sure that those initiatives are carried forward?

\* (1355)

**Hon. Jim Ernst (Minister of Industry, Trade and Tourism):** Mr. Speaker, as announced a couple of weeks ago, just prior to the opening of the Session, the federal Government and ourselves and the municipalities in this province entered into a \$90 million agreement called euphemistically SDI, Southern Development Initiative. That agreement was the first of several to be negotiated. We are in the process of having discussions—

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

**Mr. Ernst:** Mr. Speaker, we are in the process of dealing with our federal counterparts on subsequent agreements dealing with tourism, mining, forestry and communications. We are in the process of dealing with that. We anticipate that finalization of those agreements will be concluded some time in the very near future.

### Tourism Agreement Renegotiation

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, the Member continues to talk about a program that was announced two years ago quite optimistically.

Mr. Speaker, the question to the Minister of

Industry, Trade and Tourism is: Given that there was a 40 percent reduction in the use of tourism lodges in northern Manitoba, a 10 percent reduction in United States visitors to Canada, will this Minister now get busy and sign a new tourism agreement so that an important sector of our economy will start to develop and redevelop some jobs for Manitobans?

**Hon. Jim Ernst (Minister of Industry, Trade and Tourism):** There have been record numbers of funds spent on the marketing of our tourism products here in the Province of Manitoba over the past two and a half years—record numbers, Mr. Speaker.

We have entered into discussions, as I indicated with my honourable friend just a moment ago, with the federal Government. When you have more than one party to an agreement, Mr. Speaker, it is not good enough just to have one prepared to sign.

### Economic Growth Government Strategy

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, I have a question for the Minister of Finance. According to the report of Prairie Research Associates which was just released yesterday, Manitobans continue to have a very negative perception of the provincial economy. They remain very pessimistic about our economy, and this is supported by various economic indicators such as declining residential construction, manufacturing firms that are closing and a weak retail trade. It is also reflected in the Minister of Finance's own report showing revenues less than \$30.5 million less than predicted for the first quarter of the year.

What specific steps, if any, is this Government prepared to take to deal with this very serious situation?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I sense that when the Member read that article, he rubbed his hands in glee. It would provide him with a question other than before Friday afternoon, but, Mr. Speaker, let me say with respect to the First Quarterly Report -(interjection)- and I take the question seriously, to the Member for Flin Flon.

With respect to the First Quarterly Report the Member, who has been in Government for a long period of time, himself over the last 20 years fully recognizes that the variance as between actual and what we forecast within the first quarter to the

Department of Finance quite often is off 2 or 3 or 4 percent. Let me assure that once he sees the forecasts of the budget which we will lay before the people of the Province of Manitoba tomorrow, he will see that we have impressive growth within our own source revenue fields.

\* (1400)

**Mr. Leonard Evans:** Well, how does this Government intend to cope with the prospect of relative economic decline that Manitoba faces as, again, referred to by Prairie Research Associates in their report published yesterday? That is the prediction, that Manitoba will decline relative to the other provinces, particularly B.C. and Alberta. Does the Government have any plan? Are they prepared to table any plan for the information of the people of Manitoba that will assure us that we do not decline relatively to the other provinces?

**Mr. Manness:** Mr. Speaker, I do not know how many times the First Minister (Mr. Filmon), the Minister of Industry, Trade and Tourism (Mr. Ernst) and myself have to repeat the same statistics. The Member talks about relative performance. Again, we lay before this House the fact that the forecast for economic growth in this province, for this year, is at a full 1 percent above the national average. That is not our number, because we do not have a model in Government to present and to develop that number.

Let me say to the Member and to all Members of this House, that is an average of the forecasts of all of the major financial houses and financial organizations that do have models, and whether it is Informetrica, indeed whether it is the Royal Bank, indeed whether it is a whole host of the other five, they all indicate that Manitoba's well being within economic growth relative to the other provinces is a full 1 percent beyond the national average. Why will the Members opposite not recognize and accept that fact?

### Economic Growth First Ministers' Conference

**Mr. Leonard Evans (Brandon East):** A supplementary—well, we will be interested in seeing a five-year plan tomorrow as the Minister promised a couple of years ago. The fact is that this report says that the signs for Manitoba, the dangerous signs, are very obvious, according to Prairie Research Associates.

My final question, Mr. Speaker, is perhaps best addressed to the Premier. Will our Premier support the initiative being taken by the Premier of Ontario and urge the Prime Minister to call an early federal-provincial conference to deal with the escalating economic problems of this country, that is our current economic recession and the possibility of more unemployment in the next year?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I do not know if the Member for Brandon East has been away from the province or away from his job or away from his desk, but I sent a letter more than a week ago, before the Premier of Ontario did, urging precisely that initiative.

### Health Care Underspending Controls

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** My question is to the Minister of Finance. Tomorrow the Minister will present to this House the most important document of the Legislative year, the budget. It is critical that the information contained therein be an accurate reflection of this Government's intention.

Can this Minister tell us what controls he put in place so that we do not have an announcement tomorrow as we did last year and the year before of large increases, 7 percent in the last budget for Health, only to find that the end of the statistical year's economic picture was 4.6 percent spent on Health? What controls has he put in place that the electorate is not betrayed yet once again in the budget speech?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I have listened carefully to the Leader of the Liberal Party for the last two and a half years, and I do not know what side of the issue she is on with respect to Health funding. I do not know whether she wants to see reflected a larger forecast of increase, whether she wants a smaller one. I want to indicate to her, because of good planning and a lesser need within some of the requirement areas within the Department of Health, particularly within the Pharmacare program, there has been a lesser calling for that funding available by Manitobans. I have asked through the budgeting process, through the Estimates review, that again we try to provide a greater accuracy with respect to the forecast. That will be reflected in this year's Estimates to be laid before this House tomorrow.

### Government Statistics Accuracy

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** I thank the Minister of Finance for his, hopefully, direction to Ministers that they be accurate. Could the Premier now tell us why in the past two weeks we have inaccurate statistics on job creation, inaccurate statistics on Family Services budgets and inaccurate statistics on trade balances?

**Hon. Gary Filmon (Premier):** I invite the Leader of the Opposition to compare the number of people who were employed in Manitoba in April of 1988 versus this past month of reporting. She will find that my job creation statistics are absolutely accurate. I invite her when the Estimates are tabled tomorrow to compare the print-over-print increases to Child and Family Services agencies. She will find they are absolutely accurate, Mr. Speaker. Let her not suggest that just because the Liberal research department continually provides us with incorrect information that she should assume that there is incorrect information being provided by anybody else in this House, because that is not the case.

**Mrs. Carstairs:** Mr. Speaker, then I would like to table the Statistics Canada data for May '88 and April '88, both months, because the Premier obviously likes to think he was sworn in before he was, and also of course the September '90 figures, which show that in fact even in the best possible scenarios there were 11,000 jobs. Can the First Minister tell us where in the heavens he picks the figure 25,000?

**Mr. Filmon:** Mr. Speaker, Statistics Canada figures are available for everyone, and we will be very happy to compare our figures with the Leader of the Opposition—whoops, I am sorry, with the Leader of the Third Party. I am sorry.

### Women's Crisis Shelters Recommendations

**Ms. Becky Barrett (Wellington):** Mr. Speaker, my question is for the Minister of Family Services. In spring of 1989 the Women's Directorate brought together all of the executive directors of shelters throughout the province, who developed a comprehensive series of recommendations for standards for shelters which covered such items as funding supports, staffing levels, training, safety and health.

My question to the Minister is: Will the Minister give the House a status report on those recommendations given to his Government 18 months ago?

**Hon. Harold Gillehammer (Minister of Family Services):** Mr. Speaker, I can assure you that our commitment to shelters has been a very strong one and a very obvious one. The Member has raised a question about a specific shelter on a number of occasions, and we have provided her with the answer. The information that the Member is asking for, I suspect she wants in some detail, and I will be happy to provide that for her.

#### **Eastman Crisis Centre Funding Formula**

**Ms. Becky Barrett (Wellington):** Mr. Speaker, can the Minister of Family Services tell this House that his department's budget discussion with the Eastman Crisis Centre was based on the acceptance of what shelters throughout the province have been telling the Government for two years, namely that the current funding formulas are unfair, unrealistic and inadequate?

**Hon. Harold Gillehammer (Minister of Family Services):** We have had, Mr. Speaker, extensive discussions through my department with the Eastman shelter to allow them to reopen in the near future. Certainly, funding has been part of that discussion. The funding is based on core funding, which is an operating fund for them and also the per diems, which will react to any volume increase they have. The funding for the shelters has been put in place over the last year and is a combination of core funding and per-diem funding, and it will be under review.

#### **Funding Delay**

**Ms. Becky Barrett (Wellington):** Mr. Speaker, my final question to the Minister of Family Services is: Will the Minister explain why 14 days after he announced money for the Eastman Crisis Centre, seven days after the Order-in-Council authorizing those funds was produced, the \$58,000 to be given to the Eastman Crisis Centre still, 34 days after the Eastman Crisis Centre was closed, has not been received by that shelter and, therefore, the shelter will not be able to reopen?

**Hon. Harold Gillehammer (Minister of Family Services):** Mr. Speaker, I would like to indicate that

the board of the shelter will be making the decision on the reopening of the shelter, but the question of the funding is not in doubt. The shelter board and executive and the financial institution have been assured of that funding. I would repeat again that the opening of the shelter is a decision that the board will be making.

\* (1410)

#### **Swan River Friendship Centre Housing Subsidies**

**Ms. Rosann Wowchuk (Swan River):** Mr. Speaker, my question is to the Minister of Housing.

Every day rural communities are facing increasing evidence that there are tough economic times under the current administration, even though they would like to paint a different picture. In the area of subsidized housing, housing which is funded under Urban Native Housing, there has been a continual reduction of support from this Minister to the Swan River Friendship Centre Housing Corporation and other such housing corporations which offer housing for low-income people, seniors and single-parent families.

We have just learned that these cuts have escalated. The Swan River Friendship Centre Housing Corporation usually receives 10 housing units. This year they requested 14 units because they were hoping to start a seniors unit. However, they have just been told by Government officials that they will be reduced to three units.

Will the Minister tell this House the reason for this cutback?

**Hon. Gerald Ducharme (Minister of Housing):** Mr. Speaker, throughout the province, we have an allotment for the Urban Native Program. That Urban Native Program has held its own the last several years and will continue to do so. It is based on an area throughout the province, and it is based on the allotment to those particular urban Native groups.

Mr. Speaker, to put the record straight, in 1986-87 under their administration there were 1,723 units put forward for housing in the Province of Manitoba. Under '88-89 under this Government there are 1,802 units.

**Ms. Wowchuk:** The Swan River unit has been cut back. What plans does this Minister have during these tough Tory times to help people seeking shelter through the Swan River Friendship Centre

housing project to find safe, decent places to live, when they have no real alternatives?

**Mr. Ducharme:** I do not know how the Member across the way would show a decrease cutback of 100 units over that period of time under our administration to the previous administration. However, we will continue to work with all the groups. We have just had a proposal called just recently on people and that is the system throughout. We have not cut back on our housing in our particular budgets, and I should be glad to invite the Member for Swan River to go over the Estimates process when we get there to ensure her of the federal-provincial program.

**Ms. Wowchuk:** Since the Swan River people have indicated that they have had cutbacks, what steps will the Minister take immediately to reverse this decision which will have harsh impacts on senior citizens, low-income people, single parents and Native people, given that the Minister has given no reason to reducing this spending?

**Mr. Ducharme:** Mr. Speaker, to the Member for Swan River to say we have cut back, I would suggest the Member—and I look forward to having the Member at the opening of the Swan River Baptist Housing Unit that will be opening in the next short while in that particular area. I look forward to having her at that opening to prove to her—maybe she could go down the street and look at the construction of that particular unit being built now. There has been no cutback by this administration. I gave her the numbers. I will provide her with all the numbers necessary during the Estimates process.

### Downtown Development Corporations Amalgamation

**Mr. James Carr (Crescentwood):** My question is to -(applause)- So little to deserve so much, Mr. Speaker. -(interjection)- When you were appointed Deputy Leader it was a constitutional crisis.

I have a question for the Minister of Urban Affairs. Yesterday, the Minister met with his partners to discuss the renewal of the Core Area Initiative and also other matters including the amalgamation of the three corporations: the North Portage Development Corporation, the Core and The Forks Renewal Corporation. Could the Minister please now report to the House the progress with the renewal of the Core and the amalgamation of the three agencies?

**Hon. Gerald Ducharme (Minister of Urban**

**Affairs):** I am surprised that the Member did not ask sooner in regard to how the progress is coming. I will look forward to giving him that answer.

Yes, we did meet; we met for four hours. We met on several topics and one was the amalgamation of The Forks with the North of Portage. We had a positive reaction from the federal partner and the city partner. We will be sitting down in the next several weeks and will come back with those positive benefits of combining those. This was as a result of this Minister almost two and a half years ago first writing those two partners and suggesting the amalgamation of this particular—and I am glad that the Member across the way joined in with and came on stream the same way as he did with the reduction in council. We also at that particular meeting have announced housing to the tune of \$2.7 million and again that will be started as soon as it clears council.

**Mr. Carr:** The Minister can take credit for Liberal policy any time he likes.

With a supplementary question to the Minister, it costs \$1 million a year to pay for the lights, the heat, the rent and the salaries of The Forks Redevelopment Corporation. When will this Minister amalgamate those corporations and ensure that organization is politically accountable to the Members of this Assembly?

**Mr. Ducharme:** -(inaudible)- talk about elections. Where was he when I proposed a reduction of council back in 1988? He did not come forward with his particular Party. I did tell him that during the election campaign and before that, two years before, we suggested the amalgamation. We have asked him to come back with those particular benefits, as explained in my previous answer, and I look forward to the amalgamation of those two corporations. At that time I will report back to the Member with a result.

### Forks Renewal Corporation Chief Executive Officer

**Mr. James Carr (Crescentwood):** Mr. Speaker, I have a final supplementary question to the Minister of Urban Affairs. The North Portage Development Corporation is getting along without a chief executive officer since Issie Coop resigned about a week ago. My question to the Minister is: Can we afford a \$140,000-plus-a-year chief executive officer at The Forks Corporation when they have run out of money?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** Mr. Speaker, the Member from across the way is ludicrous. That is why we have not hired a new CEO. I guess under their particular Government, they probably would have hired a CEO and then looked at the amalgamation of the two corporations. We will look at that when we do the amalgamation of the two corporations.

### Bill 2 Firefighter Amendments

**Mr. Steve Ashton (Thompson):** Earlier in part of Question Period, I introduced a Bill on behalf of our caucus which would give protection to firefighters in The Workers Compensation Act, protection they had for 20 years. In view of the fact that not having this protection available to them in Legislation could result in individuals not receiving compensation—when I say individuals, I mean surviving widows and children—and there have been three firefighters who contracted cancer in the past year alone here in the City of Winnipeg, I would like to ask the Minister when, on behalf of those individuals, will he support this type of amendment and assure that our firefighters receive the adequate protection of The Workers Compensation Act?

**Hon. Edward Connery (Minister responsible for The Workers Compensation Act):** Let me assure the Member that no firefighter has not received compensation for injuries in a fire. The Member well knows that this was a presumption clause of the firefighters regulation, where if you were a firefighter, regardless, you would be covered if you had died because of an organ illness. The Workers Compensation Board is taking this situation very seriously. They are doing a very extensive study, not only on the firefighters and the effects that the workplace has with the firefighters, but all other workers.

They want to ensure that when we bring in legislation that all workers in the work force are treated fairly and equally.

**Mr. Ashton:** Why does this Minister continue to ignore the medical evidence? Why does he ignore the fact that there are firefighters that are contracting diseases and are dying because of work related conditions? Why would he not bring in this amendment now and look at protection for other workers, Mr. Speaker, indeed, if that is needed? Why would he not bring in the protection the firefighters had for 20 years in this province?

**Mr. Connery:** The firefighters are not precluded from getting coverage when they become ill from fighting fires. That is erroneous. It was a presumption clause that said if you are a firefighter, and if you happen to be in Florida on a holiday, you are obese and overweight and you have passed away from a heart attack, you are presumed that it happened at work.

We are studying all aspects of the health of workers in the workplace. The Member mentions the firemen in here. We have to take a look at miners who are down in the mines. All of these things are being reviewed in Workplace Safety. We will bring in a recommendation when they have fully studied to make sure that all workers in Manitoba are covered equally and fairly.

**Mr. Speaker:** Time for oral questions has expired.

### HANSARD CLARIFICATION

**Mr. Speaker:** Before proceeding to Orders of the Day, I would like to thank the Honourable Member for River Heights (Mrs. Carstairs) for bringing to my attention—in my statement to the House, I inadvertently indicated that the interns assigned to the NDP Caucus had been assigned to the Liberal Caucus, and then the reverse, and Hansard will show that correction. I would like to thank the Honourable Member again.

(Mr. Pratik Modha and Ms. Michelle Scott have been assigned to the Opposition Party Caucus, and Mr. Jurgen Feldschmid and Mr. Roger Neufeld have been assigned to the Second Opposition Party Caucus.)

\* (1420)

### TABLING OF REPORTS (Cont'd)

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, with leave of the House, I am wondering if I could revert back to tabling of reports? I just have four to make.

**Mr. Speaker:** Does the Honourable Minister have leave? Leave.

**Mr. Manness:** I would like to table, as required by Sections 65.1 and 65.2 of The Legislative Assembly Act, the report of amounts paid to Members of the Assembly.

I would also like to table the 1989 Annual Report of the Public Investments Corporation of Manitoba.

Thirdly, the Annual Report, 1989-90 of the Fiscal Stabilization Fund.

Fourthly and lastly, under The Public Officers Act being Chapter P230 of the Continuing Consolidation of the Statute of Manitoba, the requirement thereunder that I table the fidelity bonds crime insurance relevant numbers for the province.

### ORDERS OF THE DAY

**Hon. Clayton Manness (Government House Leader):** Under Orders of the Day, I would propose that you call Bills 15 and 16. I believe the Minister of Justice (Mr. McCrae) will call for leave of the House to also bring forward second reading of Bill 17, and after that we go into the Interim Supply procedure.

### SECOND READINGS

#### BILL 15—THE RE-ENACTED STATUTES OF MANITOBA (PRIVATE ACTS) ACT, 1990

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, I move, seconded by the Honourable Minister of Finance (Mr. Manness), that Bill 15, The Re-enacted Statutes of Manitoba (Private Acts) Act, 1990; Loi de 1990 sur la réadoption de lois du Manitoba (lois d'intérêt privé), be now read a second time and referred to a committee of this House.

#### Motion presented.

**Mr. McCrae:** Before proceeding to second reading of Bill 15, I would like to table the Roll of Acts that are part of that Bill.

I know that discussions have taken place amongst the House Leaders, and I believe I have their agreement to maintain the procedure put in place earlier for the re-enactment process, whereby the number of copies of Acts to be re-enacted is limited.

At this point, therefore, I would like to table the Roll of Acts that are being re-enacted by Bill 15. I point out to Honourable Members that the Roll of Acts is on the desk immediately in front of the Clerk of the Legislature.

It is with great pleasure that I am presenting to this House, for second reading, Bill 15, The Re-enacted Statutes of Manitoba (Private Acts) Act, 1990. This Bill together with Bill 16, about which I will speak shortly, completes the re-enactment of Manitoba's laws in English and in French.

Last Friday evening I had the honour and the privilege to attend a testimonial dinner for former Right Honourable Mr. Justice Brian Dickson, former Chief Justice of Canada. I had occasion to say a few words on that occasion. It was in connection with the Dickson legacy, a symposium sponsored by a number of agencies including the University of Manitoba Law School headed by Dean Roland Penner, a predecessor of mine, who has had a role to play in this whole re-enactment process, as well as myself.

In my remarks, I had occasion to wish the former Chief Justice well in his retirement and remind him that it was his court that put this whole re-enactment process into place and to commend, during his retirement, a thorough reading of all of the re-enacted Statutes of Manitoba in both the French and English languages. He did not immediately agree that is what he was going to spend his retirement doing, Mr. Speaker.

I was honoured to be there to speak on behalf of the Government to former Chief Justice Dickson, to make a comment or two about the contribution that he has made to the development of our body of law in our country certainly since the enactment of the Charter of Rights and Freedoms, the role that he has played in modernizing the Supreme Court of Canada into the very efficient court that it now is.

Mr. Speaker, it is difficult for me to communicate to the House the amount of work that has gone into the re-enactment process. I know Honourable Members present in the Chamber just now are tremendously interested in this topic and are just hanging on my every word as I deal with this re-enactment process.

As all Honourable Members know all laws have been enacted in English and French since 1985 when the decision of the Supreme Court of Canada in re Manitoba Language Reference was received. Work on translation had commenced even before that date.

The effect of that decision was to require Manitoba to enact all laws henceforth in English and French. As well, all Acts of the Legislature that had been enacted in English only were declared invalid, but as Honourable Members know the court granted us temporary validity of our laws and established specific time frames in which various categories of laws had to be re-enacted, printed and published.

Many of us were in this House when the first

deadline of December 31, 1988, was successfully met. All Honourable Members in this House at that time were co-operative in that respect.

Now, I am delighted to indicate that with the co-operation again of all Members of this Thirty-Fifth Legislative Assembly, we will be able to meet successfully the second deadline of December 31, 1990, at this First Session of this Thirty-Fifth Legislature.

I would like to take just a moment to describe the content of Bill 15. I have this day tabled a copy of the Roll of Acts that are to be re-enacted by way of Bill 15. In keeping with past practice, copies of those Acts were provided to each caucus in advance in order that Members would have the opportunity of reviewing them.

As is the case in any revision process of this nature, no substantive change has been made to any of the Acts. Renumbering has taken place to ensure consecutive numbering where sections have been added or repealed. All amendments passed over the years have been consolidated with the parent Act. Some modernization of language has been effected, and references to names of Acts, agencies and officials have been changed to refer to the appropriate names.

In other words, we have before us a consolidated, up-to-date version in English and French of each private Act as it exists on the books today in Manitoba.

Let me just indicate what we mean by the term "private Act." A private Act is one that is enacted by the Legislature on a petition of private individuals to govern the affairs of that group for a particular purpose.

Rule 108 of the Rules of this House sets out the process by which petitions must be prepared and presented to the House.

Many of us as private Members over the years have had the opportunity and the honour of presenting such petitions to this House.

These Acts do not govern the public at large, rather they govern the activity of the particular group that requested them. Normally private Acts and amendments to private Acts would never come before the House, as they are today as part of a Government Bill, but rather as I have said would come in by way of a petition of the affected group.

However, it was the view of the Government that

the various groups affected by private Acts should not be required to incur the expense of petitioning and preparing their Acts for re-enactment when the impending invalidity of their private Acts had been brought on by the practice of our Legislature and not through any fault of theirs. Therefore, Legislative Counsel was instructed by the Government to include in the revision and re-enactment process all private Acts of the Manitoba Legislature.

\* (1430)

The process of preparing the private Acts for re-enactment involved the following steps. Public advertisements were placed in the daily and weekly newspapers in our province explaining the re-enactment project and encouraging persons knowledgeable about particular private Acts to get in touch with the Office of the Legislative Counsel. A summer student worked long hours at the Legislative Library and the Corporations Branch trying to find evidence of the existence of groups governed by private Acts and to find addresses for them. Gradually the Legislative Counsel office was able to identify which groups no longer existed and which had chosen to continue under The Corporations Act. I should add that as part of the process, the power to continue under The Corporations Act was given to Private Act companies and the fees for such continuance was waived for them. Many Private Act companies chose to continue their corporate status in that fashion thereby eliminating the need for their Private Act.

In the result, rather than the 4,500 pages of Private Acts that were recorded in our statute books, we were left with about 1,300 pages. So that not only is this process streamlining and putting our legislation into two languages, it is also reducing the number of pages that are sitting on the books. Perhaps earlier estimates about what the cost of this whole process might be will have been reduced by the fact that we have been able to reduce very, very substantially the number of pages of re-enactment and translation that had to be done.

The Private Acts thereby found to require re-enactment were then revised. That is, all amendments made to them in the intervening years were consolidated into their texts, and the minor wording changes I mentioned earlier were made. English texts were forwarded to the contact person for each affected group and approvals of the content were duly received. French versions of each revised

Private Act were prepared by persons who were retained on contract for that purpose, and revision of each translated text was effected by persons retained on contract for that purpose.

Our own translators in the Legislative Council Office performed the final review of dual-columned texts, and then the final dual-columned text was sent out again for review by the affected group. That, Mr. Speaker, was the process; a long, careful and tiring process.

I want to take just a moment to thank again all of the people who participated in the re-enactment process. When I introduced the Bills that allowed the province to meet the deadline for the re-enactment of the continuing consolidation and the regulations, it was my pleasure to put on the record all the work that went in to preparing those massive re-enactments. The people of Manitoba have been very well served by the Public Service in general and the staff of Legislative Council in particular throughout this project.

With that, Mr. Speaker, I would move second reading of Bill 15, The Re-enacted Statutes of Manitoba (Private Acts) Act, 1990. I commend it to the attention and to the support of all honourable Members.

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, I move, seconded by the Member for Interlake (Mr. Cliff Evans), that Bill 15, The Re-enacted Statutes of Manitoba Act, stand adjourned.

**Motion agreed to.**

### **BILL 16—THE RE-ENACTED STATUTES OF MANITOBA (PUBLIC GENERAL ACTS) ACT, 1990**

**Mr. Speaker:** Second reading, Bill 16, The Re-enacted Statutes of Manitoba (Public General Acts) Act, 1990; Lois de 1990 sur la réadoption de lois du Manitoba (Lois générales d'intérêt public).

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, I move, seconded by the Honourable Minister of Finance (Mr. Manness), that Bill 16, The Re-enacted Statutes of Manitoba (Public General Acts) Act, 1990; (Lois de 1990 sur la réadoption de lois du Manitoba (Lois générales d'intérêt public), be now read a second time and be referred to a committee of this House.

**Motion presented.**

**Mr. McCrae:** Mr. Speaker, before proceeding to

second reading of Bill 16, I would like to table the Roll of Acts that are part of that Bill. I know that discussions have taken place again with respect to this Bill among the House Leaders, and I believe I have their agreement to maintain the procedure put in place earlier for the re-enactment process whereby the number of copies of Acts to be re-enacted is limited. At this point, therefore, I would like to table the Roll of Acts that are being re-enacted by Bill 16. It says here on my notes in brackets, "tabled."

Mr. Speaker, I will just say to Honourable Members that on the table in front of the Clerk of the House is the Roll of Acts to which I refer.

It is my pleasure now to move second reading of Bill 16, The Re-enacted Statutes of Manitoba (Public General Acts) Act, 1990.

Bill 16 re-enacts a series of public general Acts that continue to have an effect in our province. As Honourable Members will have noted in their review of the Acts to be re-enacted, those Honourable Members who conducted such reviews, these Acts relate to single and limited subjects. I know a lot of Honourable Members will have conducted just this review.

These are the kinds of Acts that while public Acts do not govern the day-to-day activities of the general public these Acts would never be issued in a loose-leaf format in our continuing consolidated Statutes of Manitoba, but rather would be published only in the red bound sessional volumes.

This is the reason that the Supreme Court of Canada grouped this category of public Acts with the private Acts and set the re-enactment deadline at December 31, 1990. The court directed that the C.C.S.M. Acts, the regulations and rules of court, and quasi-judicial tribunals be re-enacted by the earlier date of December 31, 1988, because those laws affect the day-to-day activities of the public at large.

As was the case with the private Acts, no substantive change has been made to any of these Acts. They have been updated and renumbered very much in the same manner I described in my remarks on Bill 15.

The review and revision process substantially reduced the number of pages requiring re-enactment in that large numbers of the Acts had served their purposes and had no continuing effect. About 2,500 pages of Acts and related materials

were reviewed by Legislative Counsel, and we are re-enacting at this Session a total of 27 public general Acts.

I know the Honourable Member for Kildonan (Mr. Chomiak) will have read and reread, in both official languages, each of those 27 public general Acts in preparation for today's debate. I just know he did that.

I would just add, for the information of the Honourable Members in this House today, that upon the granting of Royal Assent to Bills 15 and 16 separate chapter versions will be made available by the Queen's Printer for purchase by interested persons. All of the re-enacted Acts will be printed and bound in the final volume of the re-enacted statutes entitled, Re-enacted Statutes of Manitoba, 1990.

We are hoping for the co-operation of all Honourable Members in moving Bills 15, 16 and 17 expeditiously through our steps to Royal Assent, in order that we can have not only separate chapter versions of the Acts ready by December 31, 1990, but also the red bound volumes.

I indicated earlier that my remarks would be brief on Bill 16, and I would now move second reading of Bill 16, The Re-enacted Statutes of Manitoba (Public General Acts) Act, 1990, and commend it to the attention and support of all Honourable Members.

**Mr. Dave Chomiak (Kildonan):** I move, seconded by the Member for Interlake (Mr. Clif Evans), that Bill 16, The Re-enacted Statutes of Manitoba (Public General Acts) Act, 1990; Loi de 1990 sur la réadoption de lois du Manitoba (Lois générales d'intérêt public), be adjourned.

**Motion agreed to.**

### BILL 17—THE PRIVATE ACTS REPEAL ACT

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, I move, seconded by the Honourable Minister of Environment (Mr. Cummings), by leave—unanimous consent is the appropriate expression. I would ask for the unanimous consent of all Honourable Members so that I might move the motion related to Bill 17.

**Mr. Speaker:** Does the Honourable Minister of Justice have leave to move second reading of Bill 17? Is there leave? Agreed.

**Mr. McCrae:** I move, seconded by the Honourable Minister of Environment (Mr. Cummings), that Bill 17, The Private Acts Repeal Act; Loi sur l'abrogation de lois d'intérêt privé, be now read a second time and be referred to a committee of this House.

\* (1440)

**Motion presented.**

**Mr. McCrae:** My remarks on Bill 17 will be briefer than those on Bills 16 and 15.

This Act, Bill 17, The Private Acts Repeal Act, has the effect of expressly repealing a series of private Acts that Legislative Counsel found, in the course of a process I described in my remarks on Bill 15, to be obsolete and not to require re-enactment.

It has the further effect of repealing a Bill which was passed at the 1989-90 Session, which would have repealed a number of private Acts effective December 31, 1990, that have been found, in the intervening period, to require re-enactment.

All private Acts requiring re-enactment are included in the role of Acts to be re-enacted by Bill 15 and repeals of their originals are affected by a schedule to that Bill.

Bill 17, which is before us now, by the kind unanimous agreement of all Honourable Members, affects the repeal of all private Acts that do not require re-enactment. I do not propose to make any further remarks about this Bill, Mr. Speaker.

I would ask again for the co-operation of all Honourable Members in moving this Bill quickly through the steps to Royal Assent, and in the case of repealed Bills I do not think you need to read every word.

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, I move, seconded by the Member for Interlake (Mr. Clif Evans), that debate on this Bill 17 be adjourned.

**Motion agreed to.**

### MESSAGES

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I would like to advise that I have a message from His Honour the Lieutenant-Governor.

**Mr. Speaker:** To the Speaker of the Legislative Assembly:

I have been informed of a proposed Bill 19 which will provide interim authority to make expenditures from the Consolidated Fund retroactive to April 1,

1990 pending approval of The Appropriation Act, 1990.

Bill 19 will abate spending authority provided by four Special Warrants issued in the 1990-91 fiscal year pursuant to Orders in Council. It will also provide a portion of commitment authority and borrowing authority required for the 1990-91 fiscal year.

I recommend Bill 19 to the Legislative Assembly.

Dated at Winnipeg, this 23rd day of October, 1990.

**Mr. Manness:** Mr. Speaker, I move, seconded by the Minister of Justice (Mr. McCrae), that the said message be referred to the Committee of Supply.

**Motion agreed to.**

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**Mr. Manness:** Mr. Speaker, I move, seconded by the Minister of the Environment (Mr. Cummings), that this House, at this sitting, will resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

**Motion agreed to.**

**Mr. Manness:** Mr. Speaker, I move, seconded by the Minister of Northern Affairs (Mr. Downey), that this House, at this sitting, will resolve itself into a committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

**Motion agreed to.**

**Mr. Manness:** Mr. Speaker, I move, seconded by the Minister of Highways and Transportation (Mr. Driedger), 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 of Supply to consider of the Supply to be granted to Her Majesty with the Honourable Member for Seine River (Mrs. Dacquay) in the Chair.

## SUPPLY—INTERIM SUPPLY

### COMMITTEE OF SUPPLY

**Madam Chairman (Louise Dacquay):** The Committee of Supply will come to order, please.

We have before us, for our consideration, a resolution respecting the Interim Supply Bill. The resolution reads as follows:

**RESOLVED** that a sum not exceeding

\$3,732,388,080, being 85 percent of the total amount voted as set out in The Appropriation Act, 1989, and The Supplementary Appropriation Act, 1989, be granted to Her Majesty for the fiscal year ending the 31st day of March, 1990.

**Hon. Clayton Manness (Minister of Finance):** Madam Chair, let me firstly thank all Members, particularly of the Opposition Party at this time, for allowing and providing an opportunity for this Interim Supply Bill to come forward at this time.

Madam Chair, \$3,700,000,000, I believe, was the figure you read out. It is a huge, huge amount of money. It is the very essence I suppose of democracy in the sense that we go through this process.

To the new Members in the Chamber, I say this is rather a convoluted process, one that I do not know whether anybody really fully understands, but one that is of course steeped in tradition and of course is one that is the basis of parliamentary democracy as we know it, because the authority to tax in the original parliamentary development was considered the most heavy-handed force that Parliament had before it. Of course, it was taken from the King and the Queen of the times and put in the hands of the people, so I hope that all Members understand the full import of what it is we are trying to do even though the process itself is hard to understand at times.

Thank you very much, Madam Chair.

**Madam Chairman:** Is the committee ready for the question? Shall the resolution be passed? The resolution is accordingly passed.

Committee rise. Call in the Speaker.

\* (1450)

## IN SESSION

### COMMITTEE REPORT

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

I move, seconded by the Honourable Member for St. Norbert (Mr. Laurendeau), that the report of the committee be received.

**Motion agreed to.**

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I move, seconded by the

Minister of Natural Resources (Mr. Enns), that Mr. Speaker do now leave the Chair, and the House resolve itself into a committee to consider Ways and Means for raising of the Supply to be granted to Her Majesty.

**Motion agreed to**, and the House resolved itself into a committee to consider Ways and Means for raising of the Supply to be granted to Her Majesty with the Honourable Member for Seine River (Mrs. Dacquay) in the Chair.

### SUPPLY—INTERIM SUPPLY

#### COMMITTEE OF WAYS AND MEANS

**Madam Chairman (Louise Dacquay):** The Committee of Ways and Means will come to order, please. We have before us for our consideration a resolution respecting the Interim Supply Bill. The resolution reads as follows:

RESOLVED that towards making good the Supply granted to Her Majesty on account of certain expenditures of the Public Service, for the fiscal year ending the 31st day of March, 1991, the sum of \$3,732,388,080, being 85 percent of the total amount voted as set out in the Appropriation Act, 1989, and the Supplementary Appropriation Act, 1989, be granted out the Consolidated Fund.

Does the Minister of Finance have any comments?

**Hon. Clayton Manness (Minister of Finance):** No comments.

**Madam Chairman:** Is the committee ready for the question? Shall the resolution be passed? The resolution is accordingly passed.

Committee rise, call in the Speaker.

### IN SESSION

#### COMMITTEE REPORT

**Mrs. Louise Dacquay (Chairman of Committees):** Mr. Speaker, the Committee of Ways and Means has adopted a certain resolution, directs me to report the same 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.**

### INTRODUCTION OF BILLS

#### BILL 19—THE INTERIM APPROPRIATION ACT, 1990

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I move, seconded by the Minister of Consumer and Co-operative Affairs (Mr. Connery), that leave be given to introduce Bill 19, The Interim Appropriation Act, 1990, and that the same be now received, read a first time and be ordered for second reading immediately.

**Motion agreed to.**

### HOUSE BUSINESS

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, before I introduce Bill 19 for second reading, I wonder if I could make an announcement on House Business? I believe that there is a disposition of the House that private Members' hour be waived for today.

**Mr. Speaker:** Is it the will of the House to waive private Members' hour? Agreed? Agreed.

### SECOND READINGS

#### BILL 19—THE INTERIM APPROPRIATION ACT, 1990

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, by unanimous consent of this House, I move, seconded by the Minister of Energy and Mines (Mr. Neufeld), that Bill 19, The Interim Appropriation Act, 1990, be now read a second time and be referred to a committee of this House.

**Motion presented.**

**Mr. Manness:** Mr. Speaker, I would just like to present a few notes with respect to Bill 19. I provided some of my notes to critics of Finance in the Opposition Parties.

Mr. Speaker, let me record for all Members of the House that Bill 19, The Interim Appropriation Act, 1990, is required to provide interim spending, commitment and borrowing authority for the '90-91 fiscal year, retroactive to April 1, pending approval of The Appropriation Act, 1990. The Bill replaces spending authority previously provided for in the '90-91 fiscal year by way of Special Warrants.

\* (1500)

As the main Estimates for the 1990 fiscal year have not yet been tabled, but will be tabled tomorrow

afternoon, this Interim Supply Bill is based on the authority voted by the Legislature for the '89-90 fiscal year. The amount of spending authority requested is \$3,732,388,080, being 85 percent of the total sums voted in The Appropriation Act '89 and The Supplementary Appropriation Act in '89. This amount is estimated to last until approximately, Mr. Speaker, the end of January '91.

Mr. Speaker, the amount of future commitment authority included in this Interim Supply Bill 19 is \$340 million, being 85 percent of the total amount of \$400 million which was included in The Appropriation Act '89. The authority for future years commitments provides for the commitment of expenditures to ensure completion of projects or fulfilling of contracts initiated prior to or during the fiscal year ending March 31st, 1991.

Expenditure for these commitments may not be made in the fiscal year ending March 31st, 1991, unless additional authority is provided. As in previous years, a borrowing authority clause has been included in the Interim Supply Bill 19 for '90-91. Bill 19 will provide the Government with borrowing authority of \$500 million.

Mr. Speaker, Bill 19 is required to provide interim spending, commitment and borrowing authority, effective April 1, 1989, to ensure the continued operation of Government. I would like to request co-operation of the Opposition in passing Bill 19 through all stages of consideration debate and approval without undue delay.

When Bill 19 reaches the committee stage—and I hope that might occur this afternoon—I can provide Members with a section-by-section explanation. Furthermore, if Opposition Critics want to provide a list of the Ministers they would like to have in their seats for that exercise, I will do my best to endeavour to have them here in the House.

I am not particularly proud of the fact that the Government ends up over two of the last three years of bringing forward an Interim Supply Bill at this late time in the year, but I think the circumstances known to all of us dictate that this does happen. Given the uncertainty with respect to when the main appropriations will pass after Estimates review of 240 hours, Government has no alternative given that we have already passed four Special Warrants in Cabinet when the House was not sitting, we have no alternative, indeed, no other wish than to follow along the parliamentary tradition of bringing forward

Interim Supply at this time and seek the approval of the House for its speedy passage. Thank you.

**Mr. Leonard Evans (Brandon East):** I just have a couple of words to offer at this time at second reading. We have had prior discussions with the Minister of Finance. We have agreed that we would at least get down to stage 18 on the list, which is Committee of the Whole, at which time, as the Minister has offered, various Ministers may be here, can be here for specific items.

Offhand, just to answer the Minister's query, we would like to have the Ministers of Housing (Mr. Ducharme), Family Services (Mr. Gilleshammer), and Justice (Mr. McCrae) here initially and, subsequently, Industry, Trade and Tourism (Mr. Ernst) and Health (Mr. Orchard) later. This is at least for starters. I cannot speak for everyone at this point.

**An Honourable Member:** What was the last group?

**Mr. Leonard Evans:** The last group was Health, Industry, Trade and Tourism. Certainly we want to—yes, I should mention also Education. I am sorry.

We certainly want to accommodate the Government in this exercise, because we realize the very practical problem of administration that is provided if this Interim Supply is not passed. The Minister is so right. It may be, many of the new Members do not understand that really the basis of democracy is the granting of the people's representatives the power of taxation to the King or the Queen's representatives, the Monarch's representatives, to raise revenues for the administration of the country or of the province. Basically, the reason we can be here and ask questions and make speeches is because the Government needs the approval of the Legislature of spending and the raising of taxes.

Indeed, the Minister hit the nail on the head when he said, this is an unusually large amount of money that is being requested by way of Interim Supply. I believe he referred to four Special Warrants that have been passed previously, but I could not help but think that even though the Minister said there was some reluctance to do this, one does not like to operate on Special Warrants. Nevertheless, it is a much simpler system than the Americans have to contend with at the present time.

The American administration, Mr. Bush and the Congress are having difficulties, and indeed they have resulted in breakdown of Government in some

instances, people not being on the jobs, and so on, because they have not been paid. We realize the importance of this, and therefore, we are prepared to see it go to the Committee of the Whole stage, at which time we have points to make, questions to ask and possibly we may not get through it all by today. Certainly, if we do not do that, we do not intend to hold it up unduly at some subsequent times. Perhaps one other day may be required besides today to accommodate the Government.

With those few words, Mr. Speaker, we are prepared to see us go down to stage 18, which according to the list here of Interim Supply and procedure is the Committee of the Whole which considers the Interim Supply Bill, and at which time, I understand these various Ministers will be on hand.

**Mr. Kevin Lamoureux (Second Opposition House Leader):** Mr. Speaker, I too just want to put a very brief couple of comments onto the record. First, I will inform the House Leader (Mr. Manness), as I have informally, that I will let him know our intentions in terms of which Ministers we would like to have as the day proceeds, and if we continue to remain at the committee stage for a while depending on of course the answers and the questions that we have put before the Chamber.

Indeed, Mr. Speaker, we are looking at a large request, 85 percent or \$3.7 billion. We have to understand why we are at a stage of this nature as the Minister of Finance (Mr. Manness) has made reference to. It goes back, of course, to the spring election of '88 when the budget was defeated, which threw all of the budgets off course, if you will. It has gotten to such a point that we are at today in which we need through Interim Supply to pass such a large sum, or such a large proportion of the budget, that being 85 percent.

It is the Liberal Party's intention to proceed in such a fashion that would see the Government introduce a new budget in the early year, early being mid-February to late February. We will do what we can to ensure that in fact does occur so that the Government can be put back on course.

On that note, Mr. Speaker, we will allow it to go into committee.

**Mr. Speaker:** It was moved by the Honourable Minister of Finance (Mr. Manness), seconded by the Honourable Minister of Energy and Mines (Mr. Neufeld), that Bill 19, The Interim Appropriation Act, 1990; Loi de 1990 portant affectation anticipée de

crédits, be now read a second time and be referred to a committee of this House. Agreed? Agreed.

**Mr. Manness:** Mr. Speaker, I move, seconded by the Minister of Family Services (Mr. Gilleshammer), that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole, to continue to consider and report of Bill 19, for third reading.

**Mr. Speaker:** It has been moved by the Honourable Minister of Finance (Mr. Manness), seconded by the Honourable Minister of Family Services (Mr. Gilleshammer), that Mr. Speaker do now leave the Chair and the House resolves itself into the Committee of the Whole to continue to consider and report of Bill 19, The Interim Appropriation, 1990; Loi de 1990 portant affectation anticipée de crédits, for third reading. Agreed? Agreed.

**Motion agreed to,** and the House resolved itself into a Committee of the Whole to continue to consider and report of Bill 19, The Interim Appropriation, 1990; Loi de 1990 portant affectation anticipée de crédits, for third reading with the Honourable Member for Seine River (Mrs. Dacquay) in the Chair.

## COMMITTEE OF THE WHOLE

### BILL 19—THE INTERIM APPROPRIATION ACT, 1990

**Madam Chairman (Louise Dacquay):** The Committee of the Whole will come to order to consider Bill 19, The Interim Appropriation Act, 1990.

\* (1510)

Does the Honourable Minister of Finance (Mr. Manness) have an opening statement?

**Hon. Clayton Manness (Minister of Finance):** None.

**Madam Chairman:** The Finance Critic for the official Opposition, the Honourable Member for Brandon East.

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, well, I have a couple of comments to make and one or -(interjection)- Madam Chairperson, whichever. It could be Mademoiselle. You see, it could be Madam or Mademoiselle, I am not sure, or Ms. It could be Ms. perhaps. I do not know.

Regardless, I wanted to make a couple of comments at this point.

In many ways, this provides the House an opportunity of some kind of prebudget debate, because I should remind Members of the House, particularly the new Members, or should advise them, that not only can you ask questions in Supply, but you can also make statements. So it is an opportunity to make a few points that you may wish -(interjection)- just as I am doing right now. I am following in the footsteps of many people who have been in this position in years gone by, including the present Minister of Finance (Mr. Manness), who so ably made many comments and never missed an opportunity.

In fact, I am not so sure whether they accommodated us in Government as rapidly as we have in this instance, bringing us right down to the Committee of the Whole in one fell swoop.

Madam Chair—is that the term—I would say that this is a bit of a prebudget debate in a sense, and it is perhaps appropriate because we have so many economic difficulties today. Indeed, while the Minister of Finance (Mr. Manness) and the Premier (Mr. Filmon) continually trot out numbers to try to show how good the economy is, how much progress was made since they assumed office, the facts are that many economic statistics are available that show very serious signs of weakness in our economy.

While the Premier (Mr. Filmon) likes to talk about the jobs that have been created since he became Premier, the fact is that if one wants to manipulate and be very selective and so on, one can perhaps paint a rosy picture.

As my Leader has said, the fact is the growth appears to be in part-time jobs. Some people have referred to them as Mac jobs, or burger jobs -(interjection)- or the Burger King Government and Burger King jobs. If you look at the figures, Madam Chair, of the latest numbers that are available September 1990—that is the latest available, and the fact is that the number of full-time jobs September 1990, compared to September '89, we have 5,000 fewer full-time jobs. There were 418,000 full-time jobs a year ago. We are down to 413,000 now. You might say, well, it is not fair just to take month over month. Well, let us take the whole year. If you take the whole year, and the first nine months of this year compared to last year, you will find that there is a decline in full-time jobs. It is negative.

The growth has all been in part-time jobs, and that

is very serious in our society because these part-time jobs usually are very low-paying jobs. It would be fine if they had high salaries attached to them or high wages, but these are people, I would say, 95 percent of which are at the minimum wage—which reminds me, Madam Chairman, minimum wage which is becoming increasingly inadequate.

We on this side are waiting for some action on the part of the Government to raise the minimum wage, because it simply is not good enough to have left this wage, this minimum standard, untouched the way this Government has in the past two and a half years plus.

Madam Chairman, one does not have to simply look at the official statistics provided by Statistics Canada. One has other reports to refer to.

Today I was mentioning in Question Period the report that was only released yesterday by Prairie Research Associates Inc., which conducted a survey of Manitobans and revealed that Manitobans are very pessimistic about our economy and their personal finances. They see—and the trend is really towards—this negative stance that we have had has been around for some time. It does vary a bit from month to month, but frankly on balance our consumers retain as bleak a view as ever of our economy. These trends, according to Prairie Research Associates, do not augur well for the immediate future of the economy.

We have a very weak consumer sector which results in a very weak retail trade performance and therefore weak tax revenues. Of course this was demonstrated in the Quarterly Report tabled by the Minister of Finance (Mr. Manness) a couple of weeks ago. The retail sales revenue was almost \$7 million less than had actually been planned for in the previous budget.

I would say that even though it may change in the subsequent quarters the fact is that there is weakness there, and because we have this weakness in the retail trade, because we have weakness in the job market, because we have weakness in housing construction, because we have weakness in manufacturing, the people of Manitoba are becoming concerned. This is reflected in this sample survey conducted by Prairie Research Associates.

There is a growing or a remaining pessimistic mood—a very dark mood, I think is the term. I am

quoting from this report: The dark mood of Manitobans is becoming chronic, because this is a serious threat because the energy initiative can wane, further complicating economic recovery.

It goes on to say: The provincial budget must deal with retail trade, low corporate profits and average salaries when inflation is adjusted, which have not budged in the last few years. In all, the consumer is unlikely to revive until the fundamentals have changed.

The report goes on to refer to interest rates that have to decline, housing starts that have to be stimulated and so forth.

Madam Chairman, also in this report is reference to Manitoba's economy vis-a-vis the other western provinces or indeed all the provinces. They observe, as Ottawa devolves responsibility for regional economic programs or regional economic welfare down from Ottawa, down to the provincial level, the problem of regional disparities gets worse.

The report suggests that regional disparities will increase. The dangers for this province therefore are very obvious. The concern is—and I would like to quote this one particular sentence. The concern is well expressed in this sentence by this research organization: The historical patterns of stability where the Manitoba economy runs counter to the national trends of boom and bust might be replaced by a long period of gentle decline relative to other provinces, especially Alberta and British Columbia. If this does occur then serious consideration to an industrial policy must be given by the provincial Government. Certainly the provincial budgets in all provinces will assume a greater role in determining the economic health of Canada's regions.

Madam Chairman, I think that those couple of sentences well sum up the problems that we face and, therefore, the challenge that this Minister of Finance (Mr. Manness) has in bringing down his budget tomorrow, and indeed the challenge that this Government has in not simply drawing out envelope No. 2, blaming everything on the previous Government, but assuming responsibility that the people of Manitoba want you to assume, and to do something about the situation.

The Quarterly Report, the only information that we have—I know the Minister of Finance is privy to other information provided by his department—but the only information I have, and the public has, is the first quarter of this fiscal year, and it shows a very

serious decline in anticipated revenue. In fact, revenues in many areas are flat. In other areas they are declining substantially as my Leader pointed out today in the Question Period. Corporation income tax is down well over \$8 million in this first quarter. That is compared to last year. We are talking about actual 1990-91 to actual 1989-90.

\* (1520)

Mining tax is down \$28 million, and I appreciate the fact that nickel prices, in particular, have gone down, but the fact is that revenues are not increasing. In fact, revenue in total, when you look at the bottom line, revenue is flat. On the other hand, what we see is very alarming; this means in effect that the deficit in this first quarter has increased. The deficit in this first quarter is \$74 million higher than what was actually occurring in the first three months of 1989-90. The first three months of 1989-90, the deficit was \$73 million; the first three months of this fiscal year, it was \$147 million plus. So there is a substantial increase of \$74 million.

At the same time, Madam Chair, we find that on the spending side—and some of my colleagues will be talking in more detail about this—alarming reductions in spending from what was planned in many departments. Certainly you find departments such as Family Services, where we keep getting the litany, the stories that there is not enough money to go round. How many times can you come back to us to finance programs? This is what we have been told, and yet the spending in Family Services is \$10.7 million less than planned. So how does the Government explain that?

Culture, Heritage and Recreation is \$8.2 million less than planned. Education—the Minister of Education (Mr. Derkach) says we have not got enough money for this, we have not got enough money for that—nearly \$4 million less than planned. Industry, Trade and Tourism, nearly \$3 million less than planned; Natural Resources, \$6.7 million less than planned; Urban Affairs, \$2.2 million less than planned, and so forth.

So the fact is that there is the squeeze that is occurring and I can see it occurring in spades in the year ahead. -(interjection)- Well, we will see, but I think we have been forewarned by the Premier (Mr. Filmon) last night in his speech. He set the stage for future cuts and squeezes in Government programs.

So, Madam Chair, I would like to conclude by specifically asking the Minister of Finance (Mr.

Manness) why—and there may be an explanation for this that is straightforward, but there is no reference to it in here. At least I do not think so. Regardless, maybe the Minister can enlighten the House on why the spending in finance is \$14 million less than planned. There may be a direct explanation for that, but on Schedule 1, looking at the first quarter of 1990-91, what is the explanation to the variance in the financial figures? That is, the Department of Finance.

**Mr. Manness:** Madam Chair, I will not take this opportunity to debate and refute almost everything that the Member for Brandon East (Mr. Leonard Evans) has put on the record over the last few minutes.

Let me say, specific to his question, most of the savings with respect to the first quarter public debt figure occur as a result of the Canadian dollar remaining stronger than we anticipated it might when we did the original quarterly forecasts of expenditure cost.

We sensed that the Canadian dollar would begin to drift toward the 81, 82 cent level, would be there by March 31, 1991. When we put out the first quarter numbers taking into account what had happened at this point in the year, also taking into account the number of new loans that we had booked, some of the swaps that we had put into place, and ringing it through a most complicated model that is used to determine public debt figures, we found out to our happy surprise that indeed the amount was lower than forecast.

**Mr. Leonard Evans:** I thank the Minister for that explanation. It does reflect the fact that the best well thought-out projections can go astray. It is always pleasant to have them go astray in the right direction.

In one way I suppose I should address this question to the Minister of Rural Development (Mr. Penner), but on the other hand it could be appropriately taken by the Minister of Finance (Mr. Manness). This is with regard to the decentralization program which was mentioned specifically in this appropriation, the specific reference made to monies for decentralization. This was announced by the Premier (Mr. Filmon) earlier this year. The Government has issued some press releases on this which we have read. There have been various press releases, but they tend to be fragmented.

There has not been, to my knowledge, and if I am

wrong I stand to be corrected, but to my knowledge there has never been any plan laid down before this Legislature, any document, any plan, any indication as to what decentralization will take place. How many jobs, from which department, to which community?

I would like to ask the Government, through the Minister of Finance (Mr. Manness), or whoever may wish to take this question, whether the Government can at this time table a comprehensive report showing exactly what jobs are being transferred to which communities. Also, I would like an indication from the Government and preferably in writing, if that is possible, what has been achieved to date? How many jobs have been moved to what community, by department, to date? I think this is a fair question.

The Premier (Mr. Filmon), the Government made a big issue out of this. I for one support decentralization. I have some criticisms about it, which I made. I wish it was done in a well thought-out way. I just might add my own view is I would like to see specific departments—in fact it is the view of our Caucus as enunciated by my Leader as well—moved to regional centres; for example, the entire Department of Agriculture moved to the City of Brandon or the Department of Natural Resources in entirety to the town of Dauphin, or whatever, and do it over a longer period of time where it can be well thought out and doing it in a meaningful way. It is just impossible, I think, to try to accommodate every single town and village in Manitoba with more Government jobs, desirable as it may be in the minds of many of us, I simply say that is an impossible task.

I have told you what I thought of decentralization, but nevertheless the Government has made a commitment. It should at this time or if you cannot do it today, to commit today to table an outline of the entire plan, and to indicate to what degree that is fulfilled as of this date.

**Hon. James Downey (Minister of Northern and Native Affairs):** Madam Chair, let me first of all thank the Member for what I would perceive his positive comments and support because I think it is important that when a positive initiative is taken a Member recognizes it, and I think that the majority of Members here would in fact feel that it was a positive initiative. However, I think the Liberal Party were, as on most issues, quite confused. One press article would say that they were going to tear bureaucrats out of Winnipeg and haul them north,

and the next time they would, in fact, do the opposite. That was the worst thing that was happening. On the positive note, the Member's questions are fair.

\* (1530)

I believe in the initial announcement that we are pretty true to what we announced initially, just under the 700 positions, of which 500 and some of those are Government and the balance were Crown corporations. That detail was basically released in a press release at the initial stages as to the communities that would get specific activities like Dauphin, like Thompson, for example, like The Pas, and I can make reference to it that it is moving along, I think reasonably well, on schedule.

We were planning to do it over a two-year period. For example, CEDF is now operating out of Thompson. I know some of the other smaller departments that were able to be moved in the first few months without totally upsetting the services being delivered and the people that were working within the system were not overly disrupted, because it was our commitment to make sure that people would be able to continue on with employment with Government if they in fact were unable to move.

I have had several positive letters of support and complimenting the manner in which it is being carried out. Some individuals were apprehensive initially. After they saw the process that was in place, they felt relatively good about it. So the Member's questions are clear. How many positions to where, I can get for him. A current update as to where we are at, I can get for him, and I will attempt to do that for him in writing, so that he has the specific details.

I do thank the Member, and I have to say, which he is particularly interested in I think, initially Brandon was to have received something like 101 jobs -(interjection)- 102. Well, I stand to be corrected for 1, but in addition to some of the initially identified positions to be moved, I know there is some new programming, particularly within Natural Resources, and the Minister of Natural Resources (Mr. Enns) may want to comment specifically about another decentralization initiative that may in fact help part of rural Manitoba, but I leave that for him to comment on.

Specifically as it relates to the Prairie Care Program where there were some additional jobs identified for Minnedosa, Shoal Lake and Virden,

added a considerable complement to those communities. I think it is important to make sure that we are clear on what we mean by decentralization. We just do not mean moving one unit of Government to Brandon, for example. That is a first step of decentralization, but I think a lot of other communities deserve to have the recognition too, whether it is The Pas, whether it is Thompson, Flin Flon, which we have tried to do, and some of our smaller centres which are important as well, and remember what the objective was, to move Government services closer to people and provide some economic assistance to those communities, to rural and northern Manitoba, with that initiative, and I think it is doing both.

Again, I know there were certain individuals who were considerably upset initially, but I think after the process got in place, some people opted for early retirement, special considerations were given, if I can use that terminology, and I think it made it work that much better. We are always open to suggestions for improvements, but I will get that detailed information for the Member as quickly as possible.

**Mr. Leonard Evans:** Well, I appreciate the Minister's co-operation and we look forward to getting the details. It is always difficult moving established positions, particularly with people being in them for some time, from say the City of Winnipeg to a given town wherever it may be in the province.

So I would say that I think the task of the Minister of Natural Resources (Mr. Enns) should be a lot easier, because if we are talking about new jobs, new programs, it is certainly far easier to bring about. You do not have the personnel problem that you would have in established positions.

Therefore, I would say that I for one would look forward to having more initiatives, if there are new programs, new initiatives, where the Government would look very seriously at certain centres. Again I have to say I am not being negative about smaller towns, but it seems to me from an administrative point of view it is a lot easier to bring about if you are talking about the regional centres, not just the City of Brandon, but Portage. I am talking about Dauphin, The Pas, Thompson, and so on. I am not excluding anybody, but I am saying it is far easier to zero in on the larger centres, the larger towns, the smaller cities, and to have some kind of a program in there.

I guess what we are pleading for is some kind of an organized plan where you do things systematically where people know what is going to happen so that there are no surprises if they are being asked to move in X number of months from Winnipeg to a particular community which may make it very difficult for the particular families.

Well, Madam Chair, I have some other questions on other topics, but I think I will reserve them for the time being because I know that some of my colleagues are anxious to bring forward their questions and some of their comments on some other departments.

**Mr. Kevin Lamoureux (Inkster):** Yes, Madam Chairperson, I did have a few questions that I did want to ask the Minister responsible for Workers Compensation (Mr. Connery) regarding the waiting list and if he can give me some type of an idea in terms of what type of waiting list we have nowadays at the Workers Compensation Board at the different appeal levels.

**Hon. Edward Connery (Minister responsible for the Workers Compensation Act):** Madam Chairman, the waiting lists have been significantly reduced. I try to remember all of the figures that we get given. I think, if I recall, it is around 40 percent of time loss claims that had their cheque within about 12 days, but those are ones that are—. You know, if you are writing them down I can get the very accurate figures out of our material, but it has been significantly reduced through the three different adjudicator departments that we have.

We have the early response team when it is obviously a broken arm, a finger, something that there is no question of whether it happened at the workplace, those first cheques are cut very quick, and that is in around 12 days. Others, they get the second appeal. I am not sure of the time there. In the last one, we were up to 18 months under the previous Government. We are down to where openings are for people who want to put in for final appeal can do it very quickly. So those have been significantly reduced. We are still working on making it a little bit better yet, but we are proud of what we have done but we are not there yet.

**Mr. Lamoureux:** Madam Chairperson, probably the most frequent call that I do receive at my office is regarding workers compensation. People are very concerned with the amount of time. I can understand why a broken finger or a broken leg can be

processed quite rapidly. The concern lies with those unspecific injuries if you will, back injuries from driving a truck, things of that nature.

I have always taken the line with any of my constituents that what I am there for is to ensure that they are in fact given the process. In fact if it is left up to me I am going to agree with them, because I am not going to call any of my constituents a liar, because I have to take it at face value and believe that they are being very sincere in what they are telling me.

Where the question arises for myself is, what is a reasonable amount of time? I am wondering if the Minister can tell me what he feels is a reasonable amount of time for someone who has an unspecific injury, to come in from the door and can feel relatively comfortable knowing, is it two months down the line, is it three months or four months before they will be able to go that final appeal process.

**Mr. Connery:** Madam Chairman, well, it would be the same as asking me by what time of the year are we going to have two feet of snow. I mean, there are so many variables in it, and I am not being funny with it, depending on the injury, the severity or the complexity of it, where they have to go to different doctors, specialists, getting reports from the specialists. It can be quite extensive and we are very concerned about that time frame. That is basically a lot of the calls that we get, is the time frame. We check into it.

Often the Member would find out that when the person is complaining you are getting a one-sided picture. When we go to the Board we get the other side. Sometimes yes, the Board has taken too long, and I have sent letters out apologizing for the time that it took for a resolution on a particular claim. We will continue to monitor that sort of time frame, but often when we get the details we find there are a lot of extenuating circumstances. The individual did not turn in the claim as quickly as they should have. You know, that sort of thing takes place. There is no specific time by when it should take.

\* (1540)

We have seen some drag on, what I consider, far, far too long and yet when you look at the reports they have to get from doctors, illnesses—back injury is one of our most frustrating ones that we have at Workers Comp, determining is there really an injury there. It is an area where we have a lot of our, maybe

frauds. I know of people who I feel should be getting Workers Compensation and yet they are not, and I believe them that they have a bad back, and yet I have others where they are getting compensation and yet you see them out doing some pretty heavy work. So it is not an easy case when it is back injury, or when it is an illness, and we are going to see an awful lot more claims to the illness.

As the Member put out a news release, the Member for Thompson (Mr. Ashton) today, on the firefighters. You know, there is a lot of illness in the workplace that was not there before, and we want to insure that all workers are given the same accommodation when it comes to adjudication of their injuries or illnesses. That is going to be the most difficult one and probably we are going to see more of the cases are going to revolve around illness in the workplace. So, no, there is no definite time as to when somebody should be adjudicated. We want to do it as quickly as possible, but the more complex the case is, the more doctors, the specialists they have to go to, the time that it takes some of the doctors to respond—very frustrating to us. It is coming but, it is not, you know, there will always be some animosities between claimants and the Board.

It is like MPIC, what is my car worth or how much should I get for it. Those will always be there.

**Mr. Lamoureux:** Yes, Madam Chairperson, if I refer to a specific incident of one constituent that I had last year, we found that he in fact waited for well over a year from one stage of the appeal to the next stage of the appeal before a decision was actually made. Fortunately for this particular individual it came out positive for himself and was paid retroactively. There are other people who are put in a situation in which they have to sell some of their personal properties in order to get by, and I can have a lot of sympathy for these people. One would like to insure or have a good feeling that in fact these claims are being proceeded with in as quick as a fashion. Whether it is a positive or a negative decision is beside the point. If it is going to be negative at least they are going to know where they stand. If it is going to be positive, well then, albeit. This is probably the most important thing, just to have the decision being made.

Given that there are exceptions, and I will not debate that matter with the Minister, but I would again ask of the Minister, barring the exceptions, in what type of a general time span can we anticipate

one claimant going from the front door to the back door, if he has that, an average in terms of the appeal?

**Mr. Connery:** Well, once again, each case is an individual case. Now as the individual you said went to final appeal where we obviously were given the refusal twice before they go to final appeal, so the decisions were rendered. Of course, that is what the appeal process is all about, where an individual feels that maybe the adjudicators did not take into account all of the information. Often when we go to the final appeal they have some additional evidence that they are able to present to help them in this case, and that often will give them then a positive response from the appeal commission.

Sure, we can give you averages and I would be quite happy to have the CEO send us over the average which means X number of people and what was the average time, but I mean on individual cases it can vary, vary greatly. As you know, we have something like 50,000 Workers Compensation claim forms filled out. There are about 22,000 that are actual work-loss claims. That is a large number of claims, but the complexity of each case dictates how long it will take to make that adjudication.

**Mr. Lamoureux:** Madam Chairperson, part of the problem was the fact that there were the computers—and I understand that Workers Compensation Board does have computers, and they are trying to update into today's world which will ensure that we can go through the process in a faster fashion. At the time when I took a tour of the facility I noticed that there were boxes all over the place. They literally had to walk to different floors in order to find or locate some of the files.

### Point of Order

**Hon. Albert Driedger (Minister of Highways and Transportation):** I hate to interrupt. I wonder if we could have the right name. Is it Workmen's Compensation or Workers Compensation?

**Madam Chairman:** Thank you, but it is not a point of order.

\* \* \*

**Mr. Lamoureux:** The Minister of Transport brings up a very valid point. My apologies, it should be Workers Compensation, not Workmen's Compensation, but now I have lost my train of thought for a bit there.

Madam Chairperson, I would ask the Minister, at one time we had a situation which you could call down and they were very limited in terms of what type of information they could get out of the computers.

Can the Minister tell us how far Workers Compensation has gone into the computer age? Can we get more than just have they received their cheques?

**Mr. Connery:** Well, it is a good question as to what we can put on computers. I think the Member knows that there is a lot of confidential information pertaining to Workers Compensation—doctors' reports and so forth—that if you want to work on behalf of a constituent and get the information you have to have a signed release. So there is certain information that they will not put on the computers, but the basics will be there. It will not give the confidential information, but we will know where that file is at a given day, what adjudicator has it or where it is.

Before—and for the new Members, I see quite a few of them here—the process was so obsolete that you did not know where a file was. You had to virtually—the Member is right—walk all through the building to see who might have that file. It could take you a day just to find it. We are doing a lot better than that and it has taken a while. It has taken us two years to get where we are, and it is going to take us another couple of years before we get it to the point that we think it is a reasonably running operation.

We are installing automatic file trackers so that as files are stored away and if we need that file back, by going to a computer they can just push it. The file will come and it will be indicated where it is so we can find it. The boxes that you indicated were there—yes, that was there. That was the process the previous Government had. It was a terrible situation, but it is coming very good.

The computers will not specifically give out that confidential information. I asked them that very question. Will we just be able to go to a computer and punch in the name and all of the things will come out? No, the time of the accident—all of those kinds of information will be there—where it is, did they get a cheque, how much—will be on the computer, but anything of a confidential nature is not to be put on the computer.

Did you have one more question? I was going to—oh, okay.

**Mr. Doug Martindale (Burrows):** My questions are for the Minister of Housing (Mr. Ducharme). Mainly for information, I wonder if the Minister could explain to me the process of unit allocation for non-profit and co-op housing units which are allocated on an annual basis. There is a certain amount of confusion and uncertainty, I think, in the community as to how they are allocated. From time to time, I hear about this unhappiness and alleged unfairness, so perhaps the Minister could explain for me how the units are allocated to non-profits and co-op housing groups.

**Hon. Gerald Ducharme (Minister of Housing):** I thank the Member for that question. First of all, he wants me to go back to the originality of it. The originality, of course, is all the Ministers, provincially, sitting down together with the federal Minister and receive their allocation. Then we have a proposal call throughout the province, broken down into regions, and then, when these proposals come forward, we base them on a grading basis of who is available, where their zoning is at the time—we have points for that—the availability of their marketing of these particular houses. All that is taken into consideration when addressing them.

They bring them forward to the Manitoba Housing Board, and the recommendations are carried through. That is how the allocations are addressed, and that is how we proceed with our allocations.

**Mr. Martindale:** The Co-op HomeStart Program is an excellent program which the previous Government initiated, I believe. As you know, I was quite involved in starting one of those projects, the Charles-Cathedral Housing Co-op. I understand that there is an evaluation going on presently of the Co-op HomeStart Program. I wonder if you could tell us the purpose of the evaluation, the anticipated results, or when the results will be available and made public. What do you intend to do with the results of the evaluation?

\* (1550)

**Mr. Ducharme:** In regard to the Co-op HomeStart, yes, there is a program evaluation taking place. Also, there was one taking place by the federal Government. I must say to the Member that he has to remember that although he has been working with the Co-op HomeStart Program—I know he is a resident of one. He realizes, if he no longer is—well

then, he has moved quite recently when he got into the high income, unlike a lot of people who are in the Co-op HomeStart Programs.

Remember that the Co-op HomeStart Program is not geared to low income. I would suggest maybe, if he has not read, that might answer some of his concerns. Until I receive a complete evaluation, I will keep addressing the issue. I would suggest maybe he pull out the *Globe and Mail*, Saturday, October 20 edition, *Privilege, Envy and Co-ops*. It is in the *Globe and Mail*. It deals with Canada's 1,500 co-operatives. It is an article that I felt probably addresses both sides of the issues, and I would suggest that maybe he read it. But when I receive that proposal, when it gets back to me, I must say to him I do support co-ops. However, in an economy when you are getting cut back by the federal Government in allocations, then I feel our Government's concern and a Housing Minister's concern is to deal with those who need the subsidies. However, co-ops do not always deal with those who need subsidies.

**Mr. Martindale:** I feel obliged to correct the record very briefly and say that although I did live in a co-op at one time, the Willow Park East Housing Co-op where I resided in the constituency of the Member for Inkster (Mr. Lamoureux), I resided for three years, moved out in 1983, and was just associated with Charles-Cathedral Housing Co-op as a resource group, but happy to have been associated with both co-ops.

To answer perhaps a rhetorical question from the Minister of Finance (Mr. Manness), yes, I do think that co-ops are suitable for low-income people, but I also think they are suitable for a mixture of income of people. There are examples of both in Winnipeg. The MAPS Housing Co-op has a co-op organizational structure, but as far as I know, 100 percent of the people are on a rent subsidy which is unusual and I think perhaps unique in Winnipeg, but I think the ideal model is mixed. The Charles Cathedral Housing Co-op had a mixture of 25 percent of their residents on a rent supplement. In order to fill up their units because of a high vacancy rate, they increased that to 50 percent of the residents.

I have a question based on the Minister's press release of October 12 regarding Winnipeg Housing Authority. As you and I know, there have been a great many problems at Winnipeg Housing Authority, for example, the lack of tenant

representation on the board in the recent past, maintenance problems, high turnover, high costs, tenants' inability to get information and co-operation, the inability of tenants to organize and be recognized by the management. I know that the Minister's department tried to resolve some of these problems, but then rather abruptly shut down a committee set up to resolve some of these problems.

My question is: What was the rationale for reappointing Olga Fuga to the board in that she was appointed in 1978? It seems to me that the problems there were so serious that they really required a large broom and a clean sweep and starting with a completely new board of directors. I would like to know what the Minister's rationale is for reappointing Olga Fuga?

**Mr. Ducharme:** Madam Chairperson, first of all I would like to maybe set the record straight that there was an interim as mentioned by the Member, an interim committee, to deal with the problems at a housing co-op, but he did not mention that there had to be the elections of these individuals—we are talking about the tenants' group—and revitalize and put in the tenant members on this particular board. That is the first change that had ever been done in 12 years to that particular—when I first saw the structure, and I heard about this, I was aghast that unlike most of our other groups who sit, most of them have tenant groups. This one did not.

I convey to the Member that I started that process. I had our people go in there, and they had set up an interim committee. As far as the person involved, even during the whole controversy of what was going on, everyone had high respect for the person whom he has mentioned. That was the one that we felt there should be continuity in the board. She certainly has expertise and is a very, very valuable asset to that board. Most people who had called there during the time always got a pretty good answer from this individual. Remember she is not appointed there for any source of income. She receives no income to her, and I must thank her for her valued assistance in sitting on that board.

**Mr. Martindale:** With regard to the organization, I tried to help organize tenants at Gilbert Park public housing and was on the periphery of the organization efforts around Lord Selkirk development. One of the problems was that the management would not recognize the tenants' association because they do not have a very

enlightened management attitude, unlike the manager of Winnipeg Regional Housing Authority, Mr. Charles, who told me that it did not matter if they met the requirements of the housing manager's manual. If he liked the tenants' group he would recognize them.

There is no reason why the manager of Winnipeg Housing Authority could not have done the same thing, instead of going at great length and great cost to the taxpayers of hiring a chartered accountant firm in order to have a tenants' election of tenant members to the board of directors.

Today we received a copy of the Rent Regulation Program. I have had a chance to go through it, and I have a few questions for the Minister.

For example, under Table 1 on page 4, the statistics on compliance. There is a reference to the table on the next page which says the workload in investigating alleged improper rent increases has increased sharply to 685 cases from 358 cases in the previous year. I wonder if the Minister could tell us why the sharp increase from one year to the next.

**Mr. Ducharme:** First of all, I would like to rebut to the suggestion from the Member that—I will go back to Lord Selkirk housing. When I saw that I had my MHRC staff sit down and, I repeat, set up an interim basis to handle the situation. I cannot help it if someone connected maybe with the individual across the way, finally when the elections were held, maybe that person did not get elected and they are a little upset. However, we also had a time period that had to go back to City Hall and have them approve that. I take no apologies for not acting, because I can assure the Member that he can look at his front benches and see what they did over the period of time, the way it was set up it should not have been set up that way.

In his other question in regard to increase from one year to the other, that happens in regard to housing. It always happens. If he wants to look—again on page six, if he wants to see the declining number of landlord applications for rent increases precipitated a further reduction in appeals processed from 2,268 in 1988-89 to 1,422 in 1989 and '90. I will get him—I would sooner provide him with examples of why it increased than give him a generality of why it increased, but these things happen from one year to the other. If he goes back and checks he will probably find that you do get an influx from one year to the other. I will get him

examples of what happens from one year to the other. I will provide him with that.

**Mr. Martindale:** Madam Chairperson, further to the Minister of Housing (Mr. Ducharme), generally the complaints and most of the statistics are down, which is good to see that the staff have less complaints to deal with; however, that one was a glaring exception. That is why I singled it out.

Similarly, I have another question based on Table 5A and Table 5B. It is very interesting to note that Table 5A, page 39, when landlords appealed their rent increases in 1989 they requested an average of 8.5 percent increase in Winnipeg. After the panel decision they were given 5.6 percent, but when tenants appealed their rent increase, an increase of 8.4 percent on average by landlords, appeals were allowed of 7.9 percent. It would appear that there is a bias on the part of the rent appeal committees in favour of landlords if you look at those percentages. Similarly, if you look at Table 8A on page 42, Landlord Appealed Units 1990, the similar pattern where the landlords requested a 10 percent increase on average in Winnipeg and after appeal the panel decision was 3.8 percent; however, when tenants appealed their increases, an average of 9.2 percent as requested by landlords, the appeal gave them 8.2 percent.

\* (1600)

I would like to ask the Minister why there is such a great discrepancy in the appeal panel decisions regarding tenants as opposed to landlords?

**Mr. Ducharme:** To the Member across the way, as he knows there is a flow system that they can come forward and appeal. You will probably find that most of the increase was the result—and it will carry probably for about another year yet, or two—of the fire code protection by-law that was put through by the City of Winnipeg. It is probably one of the strongest and probably one of the best, and you will find that most of the costs were involved in there.

I would suggest to the Member across the way that if I turned around and I sat and gave them the rent allowances that his Government gave them in '82 of 9 percent automatically and in 1983 of 8 percent automatically without any appeal process in the rent regulation, then I would suggest to him that then we probably would not have any appeals at 5 percent and 6 percent. I am suggesting to him that we have kept the rents at a reasonable figure, that

the guidelines have been kept. This year and next year it will be four.

If he wants to look back in the record he will see that they granted rent guidelines at 9 percent and 8 percent. There is a process there for them appealing their rents. The process is through that appeal panel. I would say to you, what I get back from landlords, who have not seen these stats, is that there is not a favour given to anybody else. If they felt that they were being favoured to, then why are their appeals down drastically from the year before?

**Mr. Martindale:** To the Minister of Housing, of course the Minister knows that it was his Party that got rid of rent control and our Party that brought rent control back in, in 1982. That is a matter of record. -*(interjection)*- Well, I was there. I was at the committee in 1982 when rent regulation was brought back in. The Finance Minister was there in July, 1982 at committee, when our Party brought rent regulation back in.

However, there is one flaw in that legislation and that has to do with capital cost pass throughs. I am getting calls from people in Winnipeg who are experiencing serious problems, and I am hoping that this flaw might be corrected in the Minister's new legislation, Bill 13. It has to do with the formula for the cost pass through of capital improvements, which right now is far too generous in that it allows landlords to write off their capital cost improvements in a very fast manner.

However, what happens is, when the rent is increased because these capital cost pass throughs are legitimate, that the rent stays up based on those levels and it never comes down. So the landlord not only recovers the costs of the capital improvements, but is allowed to reap windfall profits on those improvements in subsequent years. I am wondering if the Minister has any plans to address that problem in the new legislation?

**Mr. Ducharme:** First of all, if he believes their Government supported rent controls and brought in a 9 percent rent control guideline immediately after they took office, the following year, I do not consider that a guideline.

If he thinks that there is an injustice to landlords or to tenants, I must mention to him to kindly look at the summary sheet that I just mentioned to him about the decrease in appeals process. It goes from 2,268 in '88-89 to the 1,422 for the following year. There is the appeal method.

If he feels that he wants to bring over those concerns when we get to the committee stage, he has that right as every other tenant and every other landlord in the City of Winnipeg.

I have sat through the hearings that have gone on and there are concerns in regard to both parties. I have listened to them over the summer. I will be bringing in the legislation dealing with them and he has the same, he can respond at that time. I must say to him that I wish he would go back and not only take into consideration the overall volumes, but he has to take into consideration the particular blocks. Because remember, if he gets a guideline increase at one block, it affects the whole works. So he has to look into that. Because that could affect if it was—is it really important for safety reasons and capital is required, it will affect that whole area.

**Mr. James Carr (Crescentwood):** Madam Chairperson, I have a question or two for the Minister responsible for Constitutional Affairs (Mr. McCrae). During the last little while, there has been some speculation in the press, and perhaps the Minister was misquoted and I would invite him to set the record straight if that was the case, that he would not rule out using the notwithstanding clause in relation to the fate of the drinking and driving legislation as it moves through the courts. So very sincerely, I would just want to give the Minister an opportunity to set the record straight, and let us know what his intentions are, just what was reported, and whether or not that bears any relationship to what his intentions were.

**Hon. James McCrae (Minister of Justice and Attorney General):** Yes, Madam Chairperson, I do indeed appreciate the opportunity given to me today by the Honourable Member for Crescentwood (Mr. Carr) to deal with the matter he raises in his question. Also, I appreciate the courtesy of having been given some notice of the fact that this question was coming.

Back shortly after the beginning of the recent election campaign, a decision was rendered in the Court of Queen's Bench by Mr. Justice Wilfred DeGraves respecting the impoundment provisions of Bill 3, Manitoba's new and tough drinking and driving legislation. Later, another decision came out respecting another aspect of the legislation, which I will maybe deal with in a minute.

One of the news outlets in this province raised the issue with me: In the light of the decision of Mr.

Justice DeGraves, what would you do if you were unsuccessful in an appeal? What would you do if you were unsuccessful in a subsequent appeal? My answer, Madam Chairperson, is that my answer then and my answer today is that I do not answer hypothetical questions. That is the short answer.

Now I will go on and give the longer answer if the Honourable Member wishes, unless he wants to interject and ask another question in the meantime.

**An Honourable Member:** No, I do not.

**Mr. McCrae:** I will be brief. I am not in the business of writing newspaper stories. I am certainly not in the business of writing headlines. I can lay the matter to rest today and say to you that if you were to review the story coming out of one news outlet in this province you will nowhere find that I immediately made any threats as a subsequent newspaper editorial suggested. In no way did I do that. I did say that we feel our legislation does not offend the Charter of Rights.

Mr. Justice Hirschfield, in his decision with respect to the licence suspension provision of Bill 3, made the point that those provisions do not offend Sections 7 or 8 or 11(d) of the Charter of Rights and therefore it would not even be necessary for the court to address section 1, which deals with reasonable limits, even though certain legislation might offend those other sections.

We made it clear that we disagreed with Justice DeGraves and we agree with Justice Hirschfield. We will be in court in December arguing both cases at the same time in the Court of Appeal of Manitoba. My role is to argue those cases through our very, very qualified counsel and very talented counsel in the person of Mr. Vic Toews to argue as aggressively, strenuously and effectively as we can for what we believe will ultimately result in the protection of the people of this province on our streets and our highways.

**Mr. Carr:** Madam Chairperson, I have no interest in debating the specifics of that case with the Minister of Justice (Mr. McCrae), nor do I have any interest in posing hypothetical questions to him on the use of the notwithstanding clause. I am, however, interested in his view, as the Minister responsible for Constitutional Affairs, on the presence of that clause in the Constitution.

\* (1610)

I believe that it has been said by some Members of the Government, perhaps even the Premier (Mr.

Filion) himself, that the notwithstanding clause would not be used in the life of the Government, but my question to the Minister is very direct. Does he like the presence of that clause in the Constitution, and does he support the fact that it should remain there?

**Mr. McCrae:** Madam Chairperson, our country is about 100 and—what is it, 23 years old?—and the constitutional evolution of our country is as well known, perhaps better known to the Honourable Member than myself.

The Honourable Member and I have worked very closely together for the past two and a half years in playing out our part of the constitutional development of this country, and the Honourable Member asks questions of me, questions pertaining to discussions we have had, not only in the Meech Lake Task Force, but in private conversations we have had many, many times. I think it is a matter that he and I enjoy discussing because his own commitment to the continued existence of our country is well known to me, the continued existence and flourishing of our country. His commitment to that is well known to me, so that is why I guess I enjoy discussing these issues with the Honourable Member.

What I think should be in the Constitution and what the Honourable Member thinks should be in the Constitution was the subject of quite a bit of debate during the Meech Lake Task Force discussions after we listened to the many people who came forward.

My own views of the future constitutional evolution in this country will be made known in my discussions with my colleagues in Manitoba as constitutional issues come forward. For example, the Honourable Member for Crescentwood (Mr. Carr) knows that at some point we will be taking a role here in Manitoba with respect to future evolution regarding the Upper Chamber, the Red Chamber, the much maligned Chamber in recent days, sometimes called the Red Chamber, but -(interjection)- the Red Chamber is no reference—the designation Red Chamber is really not any reference to positions taken in this House by certain Members of the New Democratic Party. I look forward to future discussions with the Honourable Member about this.

I can say that the use to which the notwithstanding clause was put by the Province of Quebec was a

matter of some concern for Members on this side of the House, certainly a matter of concern for our Premier (Mr. Filmon). In dealing with constitutional change, constitutional evolution, these are matters that are very important matters relating to federal-provincial relations, which is the responsibility of another Member of this Cabinet, and a very prominent one, I might add. I hope, for today, that will serve to answer the Honourable Member's question to the extent I am able to do so today.

**Mr. Carr:** I always enjoy hearing speeches from the Minister of Justice (Mr. McCrae), especially when he tackles the complex and important issues of constitutional affairs, because, after all, Madam Chairperson, he is the Minister in this Government responsible for the Constitution, and my questions are very directly part of his overall responsibilities in the Government of Manitoba.

May I follow up by asking him a very simple question, a question that I believe has been answered already by other Members of his Government. Does he rule out use of the notwithstanding clause in the life of this administration?

**Mr. McCrae:** You know, Madam Chairperson, in recent times, we in this House have had occasion to discuss some extremely serious matters. In the context of issues relating to protection of the public particularly, I think that I remember many questions coming forward from Members of the Liberal Party and Members of the New Democratic Party relating to children at risk, relating to women at risk, relating to elderly people at risk, many, many questions relating to public health issues, although there were not that many questions about public health issues raised in the Session of 1989 during the Estimates process.

I know the Liberals wanted to raise questions in the 1988 Session. I know that in the 1989 Session they wanted to raise some questions about health. Some of them did, but the Honourable Member for Inkster (Mr. Lamoureux) cut them off, and they were not able to ask any of those important questions.

We deal with wildlife issues in our Legislature, and we deal with aboriginal issues, all extremely important issues. We deal with a lot of justice issues. Recently, we have been talking about things like the restraining order.

I know the position taken by the Honourable

Member for St. James (Mr. Edwards) initially when we announced our impaired driving countermeasures. I know how he quickly moved away from that position. -(interjection)- No one on this side of the Chamber is going to stand here and say that we did not bring forward subsequent amendments to Bill 3 to improve that Bill.

After the passage of Bill 3, there was an implementation process that needed to be undertaken, and was undertaken, and during the course of that implementation process, we did indeed uncover some reasons for amendment to Bill 3, something that came as no surprise to us, because actually we expected to find issues that would arise during the implementation phase, during the summer of 1988.

But the Honourable Member is getting me a little off the track in dealing with the specific question that he asked. In recent days we have been talking about the restraining order and the media outlet which has been dealing with this issue of the notwithstanding clause and our drinking and driving legislation. That particular outlet never has favoured the approach that we take here in Manitoba, even though it is demonstrating to Manitobans that it can and does save lives. That particular media outlet, nor the Honourable Member for St. James (Mr. Edwards) has wanted to discuss in much detail, issues relating to children in need of protection.

If it is restraining orders, bail, wildlife laws and public health laws, all of which require certain administrative procedures to be put into effect which very closely parallel the administrative procedure we have put into effect in Bill 3 where prior to trial, administratively, licences are suspended, or up until Justice DeGraves' decision, cars were impounded.

A person not convicted of a criminal offence can nonetheless be the subject of a restraining order requiring that person not to have communication with a complainant. Now, does that not infringe the Charter of Right of freedom of expression? I mean, that is exactly the same kind of argument we have been getting from the Member for St. James (Mr. Edwards). All the while he says he is not opposing Bill 3, but he has this concern and that concern.

Holding a person in custody pending the outcome of a criminal trial, that affects directly the Charter of Right to life, liberty and security of the person. I guess there is the out in section 1 there. But these issues are precisely the same. Public health issues

where authorities have to move in and take measures prior to findings being made about guilt or innocence for the protection of the public.

Wildlife laws are there where conservation officers are given certain rights to seize firearms, seize automobiles, seize night-lighting equipment, and those kinds of things, without the necessity of appearing before a judge and coming to a finding of guilty on the part of the judge.

I referred firstly to children in need of protection. Are we going to wait for a ruling from a judge before we take a child out of an abusive situation? I do not think anybody in this Chamber would disagree with the procedures that we have in effect for the protection of children and for the protection of people.

I wanted also to refer to the Butler case when we are dealing with the issue of pornography in our province. Here we had a case where one of our justices of the Court of Queen's Bench of Manitoba ruled that even though some of the video tapes involved in the Butler case were obscene by every possible test, certainly including the test in the Criminal Code of Canada, even though there could, except for the protection of freedom of expression in the Charter of Rights, even though that normally would result in a conviction, that kind of hard-core pornography, the judge ruled that kind of smut and garbage should be subject to the protection afforded the freedom of expression, protection afforded in the Charter of Rights.

\* (1620)

Well, with all due respect I disagree, I disagree quite profoundly, our department moved quickly to appeal that decision, and we look forward with anticipation to the decision that we will get in that case, because as a result of that decision we have the proliferation of pornography, hard core and not so hard core throughout the City of Winnipeg and beyond, including my own community of Brandon.

That is the result of a decision with which we disagree and are appealing, but look at all the other pornography that is out there now in addition to pornography which heretofore would have been considered obscene under the Criminal Code of Canada is now out there for easy access by all kinds of people.

You do not need to be too much of an expert in the field of criminology to know that pornography does indeed have a direct link with criminal activity, and

some of the most horrific criminal activity one can imagine, so that I think a Crown authority, which is mindful of what is right and proper and what is good for a society, would not be doing its job if it were not appealing cases like the Butler case. We are doing that.

We are also bringing in a video classification system through my colleague, the Honourable Minister of Culture, Heritage and Recreation (Mrs. Mitchelson). All of this is in response, of course, to some outrage on the part of the public in this province; but also, when one is in the area of crime prevention and dealing with picking up the pieces of people's broken lives after crimes are committed, surely we have to be vigilant about these things.

The Criminal Code test of what is obscene does allow a fair amount of pornography, and obviously we have to have a test for what pornography is. But, when we get beyond that point, surely we have to stand up and say enough is enough, and do what we can to protect those laws that we have developed over the years in our country, and that are serving society.

**Mr. Carr:** Madam Chairperson, the Minister, over the years, has enhanced his skill at filling time and talking around very simple questions, which, in this case, lend themselves to a very simple answer, but I feel obliged now to take the argument just a step further and to remind the Minister and other Members of the Chamber that we entrenched the Charter of Rights and Freedoms in this country to protect individual Canadians against passing majorities within the Legislature and within the parliamentary Cabinet that choose, for whatever reason, to trample on individual rights.

This is not the forum to debate specific issues, either currently before the courts, or which we anticipate may become a product of judicial decision. What I am trying to engage the Minister in debate now is the issue of the protection of individual rights and freedoms entrenched in the Charter, and to ask the very simple question, whether or not the Minister is speaking on behalf of his Government, as the Minister responsible for Constitutional Affairs (Mr. McCrae) will rule out the use of the notwithstanding clause, apart from any of the specifics of past, present or future court challenges, but as a matter of policy from this Government.

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

**Mr. McCrae:** Mr. Deputy Chairman, we, as a Government, have been mindful and respectful of court decisions made in this country, and that is the way we have been conducting ourselves. The best way to promote good public policy is when you disagree with judicial decisions to appeal them when that is possible. That has been an approach we have taken. We have found some success in the area of impaired driving, certainly in the area of domestic violence.

Without getting into the hypothetical with the Honourable Member, the answer is that we will continue to pursue those objectives that we have and we think they are laudible, and we think they will find a lot of support. We will pursue them in the way we have been. We will continue to appeal decisions we do not like. Sometimes we get decisions we do not like, and we have to live with them, but that is the way we have been doing it, and I guess we can be judged to this point on our performance.

**Mr. Jerry Storie (Flin Flon):** My questions are to the Minister of Industry, Trade and Tourism (Mr. Ernst). Mr. Deputy Chairperson, earlier this afternoon I was asking the Minister of Industry, Trade and Tourism about the status of the ERDA agreements, and I am wondering whether the Minister can indicate whether there are any additional funds that would be required in this fiscal year that might be being made available through The Interim Appropriation Act as of today, for those particular agreements. Can we have, from the Minister, an indication first with respect to the tourism agreement that was referenced earlier today?

**Mr. Deputy Chairman (Marcel Laurendeau):** The Minister of Energy and Mines (Mr. Neufeld).

**Hon. Jim Ernst (Minister of Industry, Trade and Tourism):** I am not exactly sure. It will depend in large part, I guess, on the ultimate terms of the agreement and when it gets concluded and so on. We have not included funding for this fiscal year in our Estimates for that particular agreement. If it occurs and there will be some planning associated with attempting to program to spend the money over the next period of time as it relates to the agreement, but I would suggest that no money is included in the current Estimates for that agreement.

**Mr. Deputy Chairman:** I would like to apologize to

the Minister of Industry, Trade and Tourism. I did not mean that—I slipped on one line there.

**Mr. Storie:** I believe I heard the Minister correctly when he indicated that—I heard him correctly if my understanding is that there are no additional funds made available this year for any additional spending under the Canada-Manitoba Tourism Agreement.

Perhaps, Mr. Deputy Chairperson, the Minister could indicate whether in fact there are any additional funds to be spent under other agreements that expired earlier as of March 31, 1990, or March 31, 1989. For example, is there any continuing expenditure under the transportation agreement or under the urban bus agreement or the mineral development agreement? Do any of those agreements have continuing expenditures being made on behalf of the programs in the agreements?

**Mr. Ernst:** Before I answer that question, if I can back up one. As I understood the Member for Flin Flon (Mr. Storie), he wanted to know, is there money included for any potential new ERDA Agreement dealing with tourism?—his first question. Let me clarify that first.

**Mr. Storie:** I was referring to any—as the Minister knows, most of the agreements contain provisions for carry-over. In other words, although the program expired—the tourism agreement, in particular, expired on the 30th of September, I guess—March 30, 1990, there were provisions for expenditures beyond that up to 18 months.

My question was: Is there money currently being expended or anticipated to be expended from the pre-existing agreement in any of these categories, and if so, can the Minister indicate how much?

\* (1630)

**Mr. Ernst:** Yes, Mr. Deputy Chairman, there is money to be expended. I am sorry I misunderstood the Member's earlier question. Under the tourism agreement there is additional funding allocated in the Estimates for this year and will be spent during the course of the year, we anticipate. It will be dependent in large part on whether projects proceed or do not proceed. Under the urban bus agreement there is money being spent under—in any event, the agreements that carry on and have cash flows beyond the expiry date of the agreement have funding provided for within the Estimates of the department. The exact amounts of money, I do not have that information with me. I can attempt to obtain that for the Member if he so wishes, but it will

be contained in the Estimates tomorrow in any event.

**Mr. Storie:** What the Minister is saying essentially is that the people of Manitoba continue to benefit from agreements that were signed in 1984 and 1985 by the previous Government. In fact, the impact of not having any renewed ERDA Agreements is something that we as a province have yet to experience, which leads me to my next question.

Does the Minister anticipate including any additional funding or requiring any additional funding before the end of this fiscal year for any new agreement in any of the existing ERDA agreements through planning to the Core Area Initiative?

**Mr. Ernst:** Mr. Deputy Chairman, for those areas that fall under the direct jurisdiction of my department, we do not anticipate any significant, if any at all, additional funding required for a new tourism agreement, although one is presently, as I indicated earlier today in Question Period, under negotiation with the federal Government. The other portion of the agreement that will, in part, if not totally, fall under our jurisdiction will be that of communications, although that is not yet determined either in finality. We do not anticipate any additional funding to be required of any significance. Again, it will depend upon when the agreement is signed, under what terms and conditions the agreement will apply and how that program will be delivered. At the present time, we have not included money in our Estimates for those two potential agreements.

**Mr. Storie:** I hope the Minister can clear something up for me. If I hear the Minister correctly, I am getting a little more concerned about the approach being taken by the Government generally. The Minister seemed to imply that he only had knowledge at this point that the programs that were directly administered by his department, the ERDA agreements, were negotiated with a central responsibility, and the central responsibility lies with the Minister of Industry, Trade and Tourism (Mr. Ernst).

Perhaps the Minister can indicate, to begin with, whether he is taking the lead on the redevelopment of these negotiations for the ERDA agreements, or when they fail, should we be laying the blame at some other desks.

**Mr. Ernst:** Mr. Deputy Chairman, let us make it clear that ERDA agreements, which were signed

previously by the Government of which he was a Minister, are expired. They are over. They are finished. They are done. There is some cash flowing through those agreements and will do so until those expiry dates arrive.

There are no new ERDA agreements. There are different agreements put into place, funded through the Western Diversification office by some additional funding placed into there by the federal Government. My responsibility, in terms of negotiating, involves that particular segment of money and includes agreements for SDI, which is already concluded, includes agreements for tourism, forestry, mining and communications. Those are under the jurisdiction of my responsibility. Together with my colleagues, the Minister for Rural Development (Mr. Penner) and the Minister for Energy and Mines (Mr. Neufeld), we will continue to deal with those particular issues.

The question of the Core Area Initiative, or the question of the Northern Development Agreement, which I think are the two others that the Member mentioned, do not fall under that responsibility. They are dealt with by my colleague, the Minister of Urban Affairs (Mr. Ducharme) with respect to Core, and my colleague, the Minister of Northern Affairs (Mr. Downey) with respect to the NDA.

**Mr. Storie:** Perhaps we could be more specific then. In terms of the mineral development agreement and the forestry agreement, can the Minister indicate whether there are current discussions with the federal Government on equivalent federal-provincial agreements in those two particular areas?

**Mr. Ernst:** I thought, Mr. Deputy Chairman, that I had indicated that already. In fact, under the new money that was provided by the federal Government through the Western Diversification Fund for subsequent cost-shared agreements, provincially and federally, included are tourism, mining, forestry and communications, apart from the SDI agreement which is already concluded.

**Mr. Storie:** Mr. Deputy Chairman, then the Minister indicated as well that no additional funds had been requested for this fiscal year. Is the Minister telling us that there is likely to be or there will be additional agreements in those areas forthcoming?

**Mr. Ernst:** We have been anticipating signing these agreements for some time. There was a major hurdle, as admitted by the federal Minister

responsible for Western Diversification, at the SDI press conference located internally in the federal Government, because of the necessity, in their view, to balance the four western provinces on an equal basis as opposed to any other kind of basis, number one, and number two, then to determine how, within that balanced sum, the money would be allocated.

Mr. Deputy Chairman, predicated on the fact that we will conclude an agreement sometime within the next couple of months—by the time then we get into planning for expenditures under those agreements and cash flows then start to be required—I do not anticipate we will need funding until after fiscal year end.

**Mr. Storie:** I appreciate that answer. We certainly look forward to anything constructive that can be done in terms of those particular areas, industrial areas, industrial components of the province's economy.

Clearly, those sectors are important to the province. They are particularly important to northern Manitoba. Right now, the people in communities like Lynn Lake certainly could use additional investment that might be available through the Mineral Development Agreement. Certainly, they could use the continued exploration of our mineral zones in northern Manitoba, which did occur under that agreement.

I would like to change topics for a moment. We have also in this Legislature raised serious questions about the impact of the Free Trade Agreement on the Province of Manitoba. This Minister and I have had many discussions. This Minister and I have gone around this issue on a number of occasions.

I am wondering whether the Minister can, first of all, indicate whether there is any money in this appropriation that would be used specifically to assist, redress any imbalances that the Free Trade Agreement is creating with respect to the manufacturing sector in the Province of Manitoba.

**Mr. Ernst:** Mr. Deputy Chairman, there are a number of programs within the trade branch of the department dealing with the question of free trade. There are any number of manufacturers in Manitoba who wish to take advantage of the Free Trade Agreement and wish to look at exporting into the United States to enhance, develop and expand their business volumes. We are conducting a number of programs to assist them in that regard.

One, as a matter of fact, starts, I guess, today at Gull Harbour where we have a number of manufacturers who are in an intensive two-day seminar with regard to how they can take advantage of the Free Trade Agreement by exporting into that market, what is necessary in order for them to undertake that. Also associated with that is this part of export month, this month, October. We are attempting to have at that meeting, as well, people who are at present exporting, people who have the experience and the knowledge that they can pass on to our potential new exporters.

In addition to that, we run a variety of other programs: trade assistance programs, one-on-one new market investigation cost sharing, trade show assistance and a number of other things that we are dealing with to assist our manufacturers and to take advantage of this agreement.

**Mr. Storie:** Mr. Deputy Chairman, I would appreciate knowing what amounts exactly the department has set aside for those specific programs, because certainly if any review of the Minister's last budget is any indication, it is a fairly insignificant amount of money in comparison to the money that is being expended on many other programs.

\* (1640)

Mr. Deputy Chairperson, my other question was with respect to the new innovation that the Minister introduced and was referenced in the throne speech, and that was the Manitoba Ambassadors Program, which is the Manitoba equivalent of the Senate, I assume. It will be the appointment of a number of prominent Tories to what will be seen by many as token appointments, payoffs and similar epitaphs attached to it, as patronage appointments.

I am wondering whether the Minister can tell the House how much money the department is going to be setting aside for the Manitoba Ambassadors Program.

**Mr. Ernst:** Mr. Deputy Chairman, it is unfortunate that the Member for Flin Flon (Mr. Storie) is so cynical, but it kind of fits with the kind of attitude that he and other Members of his caucus have expressed over the past period of time.

What the Member does not understand, unfortunately, is that the Manitoba Ambassadors Program is not intended to be as he just outlined, Mr. Deputy Chairman, but is to take advantage of Manitobans who live abroad, who live out of

Manitoba, but who have significant expertise and knowledge, plus business connections, so that those people we can utilize as sales people on behalf of the provincial Government. That is something that their Government never did think of, nor would they have had the opportunity to tap, because of the very negative, antibusiness attitude.

We have people like the American vice president of the Bank of Nova Scotia in New York, who is a Manitoban, a graduate of the University of Manitoba, the Commerce Faculty. Those kinds of people can be great ambassadors for Manitoba. We can utilize their connections, their expertise and their understanding of our province and what goes on here, and the fact that we do have a probusiness, positive Government in this province for a change. We hope to utilize those people, whether they live in Hong Kong or Singapore or Europe, or anywhere in the world. We think we should utilize that network of people. It has been utilized on a similar basis through a variety of other people. —(interjection)— Exactly. The Member for Concordia (Mr. Doer)—

Mr. Deputy Chairman, there were things like the St. Paul's old boys network. That kind of thing can work. That kind of thing can work if we utilize members from Manitoba as an ambassadors program to bring those contacts and those business opportunities to this province, something we think is going to be very successful. Unfortunately, I must say that it is unfortunate that the Member for Flin Flon (Mr. Storie) is so cynical and pessimistic about this kind of fantastic opportunity for us.

**Mr. Storie:** I have to admit that there is some cynicism when I address this particular program, but I can assure the Minister it is not because of any belief that the program itself cannot work. It is simply that when it becomes a Tory program it is abused as a Tory program. I certainly will not reference—I cannot reference any specific incidents of excessive patronage on the part of this Minister. I can only tell him that we have watched other Tory Governments, and certainly the federal Government, misuse appointments into important positions.

I was simply asking the Minister how much money he had set aside. Certainly, the Minister has indicated a number of people that he had in mind who might fit this particular program. I would only encourage the Minister to keep an open mind, that these individuals do not necessarily, and should not necessarily, have to have deep ties to the Conservative Party to qualify. I am anxious to know

what this program might cost, and what benefits we might see.

Mr. Deputy Chairperson, the Minister knows that his comments about the activities of the New Democratic Party are not accurate. The fact is that we did establish trade offices in other jurisdictions, and we did promote Manitoba. We did use the offices of other organizations to promote Manitoba, including the Canadian Chamber of Commerce in Hong Kong. Likewise in Japan and so forth. It is an important area that Manitoba must explore. I am concerned that this not become something other than what it was intended to be, but the Minister did not answer the question. How much is this program anticipated to cost?

**Mr. Ernst:** Mr. Deputy Chairman, again the Member puts on the record all kinds of cynical allegations related to this particular program. I just explained it to him earlier, I thought in sufficient clarity for him to get it straight, but there is no intention of appointing people in the sense of appointments to a board or commission. There is no intention, quite frankly, of paying them any stipend or salary or anything of that nature. The intent is to utilize a network of contacts of former Manitobans who are around the world who are interested sufficiently in supporting our efforts here in this province.

We think we have something to sell. We have a low-cost place to manufacture. We have a very excellent and stable work force. We have an excellent standard of living. We have excellent transportation opportunities and contacts here. So, Mr. Deputy Chairman, let the Member get it out of his head, if that is possible, and let him not see ghosts or other kinds of things, skeletons in closets or whatever. This is a very legitimate program to utilize people who are former Manitobans to help promote industry and trade in this province.

**Mr. Storie:** Mr. Deputy Chairperson, I appreciate the Minister's final comments. I gather the Minister is indicating quite clearly that there will be no stipend, no honorarium for these individuals. That was my initial question. Of course, the Minister did not answer that question, which led of course to additional concerns, and the Minister will forgive me if I am paranoid. We have seen these kinds of programs go awry before and I asked a legitimate question. I wanted to know how much it cost. The Minister says it is going to be based on their altruism and their commitment and belief in Manitoba. That is terrific. I indicated to the Minister that we had

operated in a similar fashion with Manitobans who have chosen to live and work elsewhere and that is legitimate. I hope that the program is successful. I asked the question.

Mr. Deputy Chairperson, the Minister had said earlier that the department had a number of programs that were dealing with the impacts of the Free Trade Agreement. I am wondering if the Minister can indicate whether the Government has done anything to work with the federal Government, to encourage the federal Government to introduce the worker adjustment policy that the federal Government promised when the Free Trade Agreement was introduced?

**Mr. Ernst:** Mr. Deputy Chairman, we have had over the past two or better years ongoing discussions with the federal Government. There was a major task force of 30 senior business people that looked at the whole question of worker adjustment and so on and we can indicate to my honourable friend that the federal Government continues to indicate that they are prepared to implement worker adjustment programs if and when major impacts occur as a result of the Free Trade Agreement.

**Mr. George Hickes (Point Douglas):** Mr. Deputy Chair, I would like to discuss the educational programs that we have in Manitoba. We have a program that is called the ACCESS program which has been a very successful program throughout northern Manitoba and in southern Manitoba. From that program, the ACCESS programs that are funded, there have been doctors trained, nurses, dentists, engineers, and it has been a very, very worthwhile program for aboriginal Manitobans and visible minority groups.

\* (1650)

Also tied in with the ACCESS program is the Winnipeg Education Centre, which has before them a proposal that they have forwarded to the Government, the Core Area Initiative, for a new facility to continue the ongoing program.

I would like to ask the Minister for Core Area Initiative, if he has time, if the funding for the Winnipeg Education Centre to relocate their facilities is committed and if it will stay committed until April 1.

**Mr. Deputy Chairman:** The Honourable Minister for Education and Training.

**Mr. Hickes:** I asked the Minister of Core Area Initiative.

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Deputy Chairman, I can answer it from the Education perspective, and then I will defer the question to my colleague, the Minister of Urban Affairs (Mr. Ducharme).

I can tell you that in terms of education we have ascertained that the programs at the Winnipeg Education Centre are certainly of good quality. As has been indicated through our discussions and our comments in the House, we certainly support the programs that are being offered at the Winnipeg Education Centre. Indeed, the students who have graduated from these programs have found employment opportunities in Manitoba, in the core area, throughout the North and elsewhere.

In speaking to the director of the Winnipeg Education Centre I can tell you that on several occasions he has mentioned to me that their priority was the programming and not necessarily the physical facility, because to him it was most important that we have the programs in place.

So we have been deliberating with the federal Government to ensure that in fact long-term funding is made available for these ACCESS programs. The federal Government does have a very large responsibility in terms of providing the funding for the ACCESS programs, and over the next eight months or so we will be deliberating with our federal counterparts to ensure that their commitment is in place for funding for all the ACCESS programs.

There has been some indication on their part that they are supportive of the programs and that funding will be in place, at least for this year and long-term—they are talking about long-term funding right now, but there has not been anything substantial or anything signed in terms of a long-term agreement.

We are pursuing that, and once that kind of funding is in place then we can better make decisions on permanent facilities for the Winnipeg Education Centre and for other institutions or other facilities in the province. We are committed to ensuring that people who do not have readily available access to educational opportunities do have that. We are pursuing it constantly.

As the Member may know it is not just a matter of this Government making a decision on its own; we do need the partnership of our federal counterparts step-in-step along the way.

**Mr. Hickes:** Further to the Winnipeg Education

Centre, there has been a proposal that has been put out and the dollars from Core Area Initiative, from my understanding, is that it is already committed by the Core Area Initiative.

I would like to ask the Minister if those dollars allocated by the Core Area Initiative are committed. If they are committed, for how long will they stay committed?

**Mr. Ducharme:** I was one chair over and I did not hear your original question. Are you talking about with WEC? Okay, those monies are committed, as you can probably appreciate. They are still committed. In the current negotiations by March of this year, of '91, however, the shareholders have instructed Core Area that we would like to know all our commitments to make sure and we have given them to December 15, on all monies not yet spent, so we know which ones we can pick up in case there is not an extension of the Core, say in '91-92. We would like to know now so those monies can be delved out if they are not going to be used for say WEC or somebody else, but they have until December 15. Those were the latest instructions of the three shareholders.

**Mr. Hickes:** Mr. Deputy Chairperson, further to the Winnipeg Education Centre, the facilities for the building and the dollars that are committed by Core Area Initiative, could the Minister tell us the amount of those dollars? Would you have the figures for that?

**Mr. Ducharme:** I do not have the exact numbers. Remember that the Core Area grant—I might have to apologize for the amount, but I think the Core Area grant was in the vicinity of a half million dollars toward the total project, but in the original Core Area it was also to do the housing on Logan on a joint venture. However, I will get to the Member on the Core Area. He will have to ask Education what their amount was, but that amount that was given out or was committed at the time is still the same amount of money. I will get that amount to the Member.

**Mr. Hickes:** The dollars that are committed under Core Area Initiative, if the dollars that are proposed from the Minister of Education (Mr. Derkach) are not forthcoming, would it be true to say that the dollars would be lost to the Core Area Initiative if the dollars for the joint proposal are not forthcoming from the Education Department? Would that be a fair assumption?

**Mr. Ducharme:** The Member knows that the Core

is only an incentive program, like a kickstart. On all these projects, it is to give someone who has some investment and comes forward—they would come forward with the Core monies; they would come forward with the Housing monies. If there is no commitment on the program, we are not going to contribute the Core Area monies, because that is all that has been committed. We cannot build the whole project with the Core Area monies. They must have the commitment of all the other funds before it is proceeded with. That is why I set December 15 as the date.

**Mr. Hickes:** So have there been ongoing discussions with the Minister of Education (Mr. Derkach) for the Education portion of the proposal that was presented by the Winnipeg Education? If, like the Minister said, the adult education programs are very, very important and crucial, and if that is the stated case, then if you have been dealing with the Minister of Education, do you support the funding of the education program in order to fulfill the Winnipeg Education Centre?

\* (1700)

**Mr. Ducharme:** I have gone on record as supporting the Core Area grant to that particular development, wherever it may be, but that is my Core Area coming from the Urban Affairs. I have also continued to commit the 22 housing units in that same development. However, as I say to the individual, you have MHRC supporting specific housing units. If the WEC does not go, that commitment is still there for them to build their housing units. It would have to come back with maybe a different type of proposal. However, I will continue to support the Core Area funding for that program, but I cannot commit Education, because I have not studied the program itself. I studied the ideas that monies from the Core Area will go into WEC, and we have not changed from that course. That is why we have said, that one and several other projects that money has been committed to must be decided by December 15.

**Mr. Hickes:** Mr. Deputy Chairperson, then I would like to ask the Minister of Education (Mr. Derkach) if he has ongoing dialogue with the other interested parties that could contribute to the funding. The Minister of Education, will he commit the dollars to fulfill the facility for the Winnipeg Education Centre?

**Mr. Derkach:** As indicated before, I am in complete support of the programming that is going on at the

Winnipeg Education Centre, because, as the Member knows, we conducted an audit of those programs last year that indicated to us very clearly that the programs do have merit, that graduates from those programs do obtain employment in the province, around the province, and that in many cases those programs have results that are as good as the results at the campus.

(Mrs. Louise Dacquay, Chairman, in the Chair)

It does not say that those programs should not change as time goes on. It does not say that we should not blend them in with the university programs as time goes on, but indeed it does show that those programs are valuable. I have indicated before that I am supportive, but it has to be understood, and understood very clearly, that in this initiative there is not just one department involved. As a matter of fact, there is not even one level of Government involved. It takes all the players to co-operate to ensure that the programs will continue into the future.

As soon as we have some stability in that, then we can address the question of facility because, as the Member knows, there is no sense in building a facility and finding out six months down the road that funding from one or other level of Government is not there, and then the program collapses. Our commitment, this Government's commitment, to ensuring that funding for the programs—our share of the funding for the programs is secure—is there. As my colleague, the Minister of Urban Affairs (Mr. Ducharme), has indicated, we have both chatted about this, discussed this topic on several occasions.

**Mr. Hickes:** Madam Chairperson, further to the Winnipeg Education Centre facilities, the Minister just indicated that if the program is warranted—well, those programs have been in place for quite a few number of years now. They have, I repeat, been very, very successful programs for aboriginal individuals. That is about the only program that aboriginal individuals have to access to become doctors and lawyers, which is long-range financial commitment, so those programs have proven themselves over the years. There is no need for a trial period.

What we need is a facility to advance and increase the enrollment of such programs that benefit the aboriginal and visible minorities of Manitoba, not decrease it and do another study.

There is no need for a study. We know. We know that the ACCESS Program has trained social workers, teachers. They have been around for a long time.

Madam Chairperson, when we talk about expansion and we get into the whole concept of aboriginal self-government, if the province—provincially, federally—and aboriginal organizations are serious about going into self-determination, we will have to increase training opportunities for aboriginals, not decrease them. So the need for a facility for ongoing training and advanced training is now. It is not 10, 20 years down the road.

So I ask the Minister of Education (Mr. Derkach), if he does not commit his dollars to tie in with the Core Area Initiative's dollars, that will give a definite no from the federal Government, who will just say, well, we commit dollars to what? One party has already dropped out. So I think that is very premature to say that, no, we are not funding that kind of a project. I would like to get what the Minister feels about committing the dollars even if it is on an interim basis until April 1, until he gets a firm commitment one way or the other from the federal Government.

**Mr. Derkach:** I think the Member, who was also an employee of one of those kinds of programs at one time, should know something about efficiency and effectiveness and the need sometimes to review programs and the dollars spent on programs. I think we did a review on a program that he was very much involved in. We had to tighten up some of those issues to ensure that there was effectiveness of the utilization of funds. I do not want to elaborate on this point, because I could go on at great length.

When we get into the Winnipeg Education Centre, Madam Chairperson, I have to tell you that it is not just a matter of us saying, okay, here is our money go and do what you will with it. We have a facility that is being used very adequately right now. The director of that program has indicated on several occasions that his priority is not a physical facility; it is to ensure that there is support for the programming that is going on in that institution. The support from this Government is there. It has never been questioned.

Indeed, when we found out that the programs are as creditable as they are, that even gave us more motivation to ensure that the support for those

programs is solid. The support for those programs is solid. If we can ascertain the federal Government's long-term commitment to those programs, then I think we can address the physical facility aspect of it at that point in time. I think it would be far too premature to try and address it right now.

**Mr. Hickes:** When the Minister mentioned my involvement with Limestone Training, I am very pleased he raised that, because I am very, very proud to have been involved in adult education programs. I remember a time when I was struggling through life and could not find a direction where I was headed for; I found a program called New Careers program. I was very, very fortunate that they accepted me as one of their trainees. I know first-hand what those programs can do for an individual.

You can laugh all you want -(interjection)- the Members in this House, they can laugh all they want, because they have not had to suffer because of the lack of opportunities like some of us individuals had to. What we have accomplished and what we have gained from those programs I personally am very, very thankful for.

Some of us have not had the opportunities that other Members have had, and that is fine, but what opportunities that we were given, and if we took the opportunity to learn and gain from those opportunities, just like other fellow Northerners will through the adult education program such as Limestone Training, the ACCESS programs and New Careers programs. That is why I feel that those are very, very important programs. I personally benefitted from an adult education program, so to me it is not a laughing matter. I have a lot of other friends and families that would have been more of the Justice Minister's stats, but because of such programs as that.

Anyway, further to a proposal that is before the Minister for Core Area Initiatives for the aboriginal centre for the CP station, has the Minister received that proposal and had a chance to view it?

**Mr. Ducharme:** Yes, first of all, I have not seen the proposal. I am meeting with the delegation shortly, but he has to remember that the program has been going on for almost four years. When you come forward with a \$1 million proposal or \$1.5 million from a core area, I do not see right now where these monies are available. Most of the monies have been committed to the larger projects.

Most of those monies were committed by the previous administration. When I say committed, I am talking about when they sat down and they decided where the large amounts would go. So I am saying to him that I will look at their proposal, if there is some way monies can be fronted out of the existing Core program. But I can tell the Member now that it is unfortunate that proposal is coming forward at the end of an agreement. Whatever the next agreement would be or whatever the three levels of Government decide, that could be another story, but if he is asking me if there is money right now available in the existing Core, there is not.

However, that is why we have suggested that December 15 be the deadline so we can look at the lineup of people who want to utilize Core monies that might come free that have been committed and not used. So to the Member, I will certainly look at the proposal and talk to the people, and I look forward to that proposal. I am meeting him very shortly, I believe it is next week or the week after.

\* (1710)

**Mr. Hickes:** Madam Chairperson, I would like to ask the Minister of Education (Derkach), since we got very briefly on the Limestone Training Program, it is like any other first-time program. I realize that there were some mistakes made, and -(interjection)- Well, there has been some. One of the things that I would recommend from my own experience is a training program before the start of the project.

What I would like to ask the Minister of Education (Mr. Derkach) is when Conawapa, the start date, is anticipated, will there be some training up-front before the start so that people can flow into adequate apprenticeship programs, adequate employment opportunities. I have nothing but praise for Limestone Training, but one weak area was that there was not enough pre-training at the start up of the projects, because when you go into a huge dam development such as they had at Limestone, they very, very rarely ask for a first year apprentice.

It is usually a second year or a third year apprentice, and if those kinds of long-range planning programs, if they have been discussed to ensure that we have adequate aboriginal and northern involvement, and with the Conawapa, and also we have to look at the whole transmission line that will be forthcoming or coming through the north down south here.

Has there been a training program, or are there

any discussions or proposals for a training program, so that we can make sure that Northerners are being trained for those employment opportunities, and also, when you are removing the skilled resources in each community of individuals that will be going to either Conawapa or the transmission line, that there has to be some sort of resources left in the community to pick up the community jobs?

If that could be sort of tied in with training and maybe going to community employment opportunities with the bands or community councils, as the skilled individuals are going to Conawapa or the transmission line, has there been any discussions or any plans in that area?

**Mr. Derkach:** To the Member for Point Douglas, yes, indeed, there has been considerable discussion with regard to training opportunities for people who may work at the potential Conawapa dam site. Indeed, I sit on the Cabinet committee for that project, and my department has been very active in ensuring that we approach the training for that dam site with some thought and perhaps basing some of our decisions on the experiences of Limestone, so that we do not make the same errors that were made in that particular project, so that we can avoid some of the pitfalls of that particular program.

Yes, indeed, there were good things about Limestone; I have never said that there were not, but there were certainly some glaring inadequacies in the program. Perhaps follow up was the biggest problem in that program, where individuals were trained for perhaps jobs that never existed, jobs that never came through to fruition. We have to ensure that, if we are going to be training people, there are jobs for those people after their training period is completed, so that those transfers of skills can be made into areas, into communities after the project is completed. I think this is one of the things that we have to look forward to in training—I will just wait until the Member for Thompson (Mr. Ashton) has finished his discussion so that the Member for Point Douglas (Mr. Hickes) can get the information.

Madam Chairperson, I have to indicate that I want to see as many dollars as possible—those scarce dollars—that we have in this province go to training programs, go to the programming aspect instead of being eaten up by the bureaucracy, by travel, by such things that are extraneous to those programs, which we could avoid. If we can be efficient and effective in those areas, then more dollars can go

down to the people who really need the programming, the individuals who lack the skills who need them so badly. That is what we have to try and focus our dollars in on, the people who need the training, rather than setting up bureaucracies, setting up fancy facilities. Let us put the dollars where they best work and that is to the people who need it.

**Mr. Hickes:** Madam Chairperson, I will just be brief here. I would like to address another question to the Minister of Education (Mr. Derkach). When we talk about employment opportunities and training opportunities in northern Manitoba, and also with the Limestone project, there was a preferential hiring clause that dealt with aboriginals, northerners and union members. Is there going to be such a clause when they start Conawapa? Will there be a northern preferential hiring clause?

Also, when they go into training programs for programs in the training areas, will there be a strong effort to recruit, and even if need be, to train aboriginal instructors? I know from my past experience, when you bring people from remote communities they have a much, much easier time adjusting. Even a centre like Thompson is not as big as Winnipeg, but it is still quite large to some people who are brought in from remote communities, the whole social adjustment period. Also, in the classroom when we were fortunate enough to find and hire aboriginal instructors, I know it made a big impact. It made a big difference. I am just asking the Minister if he will put every effort possible and give directions to whoever would do the hiring and the training, to make sure that they would try and hire as many qualified aboriginals?

**Mr. Derkach:** Yes, Madam Chairperson, to the Member for Point Douglas (Mr. Hickes), the Burntwood agreement is still in place and would be honoured in the Conawapa project. I can indicate that to him. That agreement is in place and has to be honoured. It is not going to help too many people from Point Douglas, but certainly in northern Manitoba it will.

I can tell you that he raises a good point about bringing aboriginal people in to be instructors where we can find those qualified people and, of course, qualification is always the most important that you have to look for. We have done that. I can tell you that at Keewatin Community College and in the whole Northern Training Agency I think we have now something like 16 aboriginal people who are in

positions of authority and administration and management. That is substantially more. I think there were two in place when I came on stream as Minister of this department. We have now I think 16. That certainly is an indication that aboriginal people are finding their place into the instructional areas of our classrooms. That is a credit to the programs that are going on, such as the ACCESS programs within our province.

So, yes, indeed, I know that there were some people trained under the Limestone Agreement Training Program where we should be able to draw on their skills and their resources now and maybe give them some in-servicing and upgrading so that they can act as instructors within the program. The short answer to that question is, yes, indeed, we are more than eager to do those kinds of things.

**Mr. Gary Doer (Leader of the Opposition):** I have a question for the Minister of Health (Mr. Orchard). -(interjection)- No, I do not want to make a preamble. I just want to have a very straightforward question and get a straightforward answer. -(interjection)- Okay, let me back up.

**Mr. Reg Alcock (Osborne):** I too have some questions for the Minister of Health (Mr. Orchard), which I will wait until the Leader of the Opposition has had a chance to speak, but I do have a question or two for the Minister of Housing (Mr. Ducharme) whom I know is eagerly waiting these questions. I referenced before, and I have had conversations about this before, that is the vacancy rates in some of the subsidized housing in the housing projects, particularly the large projects like 285 Smith, 400 Stradbrook and the like, that are experiencing rather substantial vacancy rates, particularly in their bachelor units.

\* (1720)

I am wondering if the Minister has had an opportunity to consider this and whether or not they have a program to begin to convert or reconstruct some of those buildings.

**Mr. Ducharme:** May I thank the Member for the question. I so wish we did not have these types of vacancies. I think there are approximately 400. We have asked the Winnipeg Housing and Renewal Corporation to come by and give us a study on it. CMHC has done a study on bachelor suites. Until we get to a certain vacancy rate, it does not make us profitable to convert them into other than bachelor. They have even looked at remodeling,

making them more appealing to people, because as you know, whether you have a one-bedroom or whether you have a bachelor it is based on your income, so if someone can get a one-bedroom for the same price as a bachelor, of course they will take the one-bedroom.

Most of the construction was done quite a long time ago. We are not building any more bachelor suites. A lot of them are main bearing walls, so it is very costly to convert these into one-bedroom and two-bedroom. We are hoping that maybe, there have been some suggestions, as you know, CMHC will not allow us to go below the 20 percent. They will allow us to go from 25 to 30 and then of course leave others at 25. That would be ludicrous. We have a program coming forward. We hope that there are some solutions. There was one solution. Maybe convert some of them to some seniors who are on a system where they need to—the abused seniors—we are hoping maybe that we can fill them in on the longer term as they get out of the abuse centres. We are looking at different programs.

**Mr. Alcock:** I would like to yield the floor to the Leader of the Opposition (Mr. Doer), and then come back as soon as he has had an opportunity to ask these questions of the Minister.

**Mr. Doer:** Thank you to the Member for Osborne (Mr. Alcock). I have a very simple question for the Minister of Health (Mr. Orchard). Over \$30 million was underspent in his department last year. Can the Minister please provide the specific breakdown of areas where his department was underspent and the rationale for each area? We have heard from the Premier (Mr. Filmon) about pharmacy requirements being one of the reasons. Can the Minister of Health, please, give us that breakdown and the rationale?

**Hon. Donald Orchard (Minister of Health):** Madam Chairman, the Pharmacare program was under—and I am going by memory—by what, I think, was \$3.5 million. I am going by memory again: the Fred Douglas Lodge and several capital projects did not come on in time, and Deer Lodge Hospital was another one, because we had budgeted in anticipation of opening those 90 beds, so that there was approximately \$10 million in the Manitoba Health Services Commission budget which was not spent because of delays in capital openings. There was \$4.5 million, I think, in home care that was budgeted that was not expended. There were some increased revenues from third party recoveries which were, I am going by memory about—it sticks

in my mind that the net between that and additional out-of-province spending saved the province about \$3.5 million to \$4 million. There was staffing. The vacancy rate in the department was maintained at approximately 4.5 percent. That saved salary lines of approximately \$5 million.

There were a number of smaller areas, one of them being the medical line which was underexpended. The major factor contributing to the medical line, which is the physician reimbursements for office visits, services performed, was the change that we brought in in 1988 by which physicians ordered lab tests. Instead of growing by approximately \$2 million to \$2.5 million—\$3 million per year on average the line on that budget actually decreased by \$1 million. So it was, we think, a fairly significant saving from that procedure as well. The total, I think, comes to some \$29 million.

**Mr. Doer:** I would like to thank the Minister for the very specific breakdown. If there is any further information, we would appreciate getting it, but we thank him for those breakdowns in cost. Can the Minister please inform the House how much money in operating costs was saved by the delay in the opening of the Deer Lodge Hospital in the underspending in the '89-90 fiscal year?

**Mr. Orchard:** I cannot give you the exact number, but you could—I think operating costs are projected to be around \$125 to \$150 a day, and I will have to provide that as a more detailed analysis for my honourable friend.

**Mr. Doer:** Madam Chairperson, the drug and alcohol programs were identified in the Alcohol Foundation and in the Department of Health. Can the Minister please outline in the '89-90 year whether there is any money that was lapsed in drug and alcohol programs, particularly youth programs, that were budgeted in his department for the '89-90 fiscal year?

**Mr. Orchard:** No, Madam Chairman, there was no lapse. There was no expenditure of the \$100,000 and it is there to be expended when program criteria and approval mechanisms are finalized. It was not spent, but it was not part of the lapse factor. It is there in the AFM budget to be used.

**Mr. Doer:** Just so I understand that the money was set aside in '89-90 fiscal year in the AFM budget, no money was expended in that Drug and Alcohol Program, and the money now sits still in a fund at the Alcoholism Foundation, or in trust, or the

Minister has indicated it did not lapse. Can he please clarify that for the House?

**Mr. Orchard:** I actually cannot give my honourable friend the details of how AFM is different from the department, but I simply indicate to my honourable friend that the \$100,000 that was budgeted year-end April 30, '90 is available for expenditure. In other words, there is \$200,000 available now, and I cannot tell my honourable friend how AFM is different because in a department we simply cannot carry those funds over, but at AFM we have done that. AFM has the money and it is available.

**Mr. Doer:** An area of some political if not public dispute in the Chamber before was the ambulance services, the northern ambulance services, the air services. Can the Minister outline what the budget line was for the '89-90 fiscal year and whether any money in that area for northern ambulance service was underspent?

**Mr. Orchard:** I am going by memory and I will correct this for my honourable friend if I am wrong. I believe that the Air Ambulance is separate from the Northern Patient Transportation Program, was spent more than was originally budgeted because of volume, No. 1, and because you might recall that we approved mid-year, seven-day-a-week and 24-hour-a-day physician back-up for the Air Ambulance Program so that in an arrangement with the Health Sciences Centre, those trained physicians would be available seven days a week, 24 hours a day. That is the first time that arrangement had been made that added to the print budget for that fiscal year, and I believe that the Air Ambulance line expenditures were more than what was printed in the Estimates book. I will confirm that for my honourable friend tomorrow.

\* (1730)

Secondly, the Ground Ambulance Program received some fairly substantial increases. We put \$1.9 million in fiscal year ending March 31, 1989, an additional \$950,000 in fiscal year ending March 31, 1990, and the final year is this year of that three-year program where they have the last installment of \$950,000.00. That is the program that allowed us, for instance, to reduce the cost of an ambulance trip, say from Swan River from about \$800 down to \$250 by having a formula that is distance-sensitive and also allowed—and this is what I will have to confirm for my honourable friend—under the component wherein there was specific compensation to

ambulance services to provide for personal costs of individuals taking the training upgrade, the first responder course, in many cases. That was also part of the funding formula. I cannot tell my honourable friend whether that portion was entirely spent as provided for.

In Northern Patient Transportation Program, I will have to find out the circumstances on that because I do not recall from memory.

**Mr. Doer:** Again, I thank the Minister for his delineation of those underspending numbers. Just one final question. The Minister mentioned the Fred Douglas Lodge. We have a number of \$125 per day at Deer Lodge and the Minister has taken under advisement the actual cost that would be. Can the Minister outline the per day costs of Fred Douglas that was saved on the operating side with the delay in the construction?

**Mr. Orchard:** I can provide that, but I just want to correct my honourable friend. It was an unintentional slip. The last description I gave him of ambulance service were all additional spendings, not underspendings.

**Mr. Doer:** Thank you for that clarification. Can the Minister provide the number on the Fred Douglas, the per day cost? -(interjection)- Okay, thank you very much.

**Mr. Alcock:** While the Minister of Health (Mr. Orchard) is answering questions, perhaps he could do one for me. Prior to the election, the Minister made an announcement about a start date for the construction of the new Municipal Hospital. I would just like to ask him today whether or not their plans are still on target, and if we will see construction begin on that site soon.

**Mr. Orchard:** Yes, and yes, Madam Chairman.

**Mr. Alcock:** Perhaps the Minister could tell us on what date the sod will be turned for the construction of the new building.

**Mr. Orchard:** Madam Chairman, I think there are two components to the Municipal Hospital. Construction one is a 230-bed personal care home construction for which, and I cannot give my honourable friend the status of the proposal call on the development proposal.

The second aspect is the redevelopment of the hospital portion as compared to the personal care home portion of that redevelopment project, wherein there are 155 beds targeted for redevelopment into

the areas of chronic care and rehabilitative care, plus the head injured unit, which temporarily will be housed in Deer Lodge. Then when the 155-bed facility is completed at Municipals it will be moved there so that the program is on those grounds.

Now that second aspect is taking more discussion because it is basically a much more major undertaking of design of—I think my honourable friend can appreciate—beds with capability for chronic and rehabilitative care versus personal care home, and secondly for the head injured unit, because the head injured unit will be the first of its kind in Manitoba.

**Mr. Alcock:** Well, thank you. I thank the Minister for that answer and that clarification. Does this mean though, with the redevelopment plans for those 155 beds then, will any of the old plans for the redevelopment of that hospital be used, or is this an entirely new proposal call and new architectural work?

**Mr. Orchard:** Certainly, in terms of the 230-bed personal care home, that is entirely new planning. What I cannot answer for my honourable friend is what, if any, of the original hospital plan can be utilized in the 155-bed facility. That is part of the discussions that are ongoing right now, as I understand it.

**Mr. Alcock:** I also understand that there is a proposal to transfer responsibility for the hospital from the city to, I presume, a board that is established by the province much like any other hospital. Could the Minister perhaps clarify his plans and tell me specifically what discussions he has had with the city relative to the ownership of the property that the hospital is sitting on?

**Mr. Orchard:** My honourable friend is right that there are discussions. They have been ongoing now for approximately six months. Because Municipals is unique in that it has city governance, by city-appointed board, and I will stand to be corrected, but I do not believe the province even has an appointee to the Municipal Hospital Board. Yet, we provide the entire operating budget and funding for municipal hospitals.

Given that we were approaching decision-making time on the redevelopment of Municipals, an issue that has been before—Given that we were approaching decision-making time on the redevelopment of municipals, an issue that has been before a number of Governments over the last

two decades, we also approached the city—and it was a mutual approach, because they were quite willing to open discussions in terms of the transference of operating authority to a community-based board like all of our other health care facilities in the province, including the other major hospitals in Winnipeg.

Those discussions are ongoing. The last discussion I had was prior to the announcement of the extended treatment bed report in July, I believe, with the mayor. The process is ongoing. I do not think there are any wrinkles that are being encountered in terms of that change in operating authority.

**Mr. Alcock:** Just on the question of the property, though. Perhaps the Minister of Urban Affairs (Mr. Ducharme)—I will leave it to the two Ministers to decide who can best answer this.

If there is a decision to transfer responsibility for the hospital to such a board—the hospital is located on a rather large piece of real estate—is it the intention to transfer the entire site to the management of that board?

**Mr. Orchard:** In terms of the facility redevelopment, that is certainly what we are discussing with the city right now.

**Mr. Alcock:** I would like to thank the Minister of Health for the answers to those questions.

Perhaps I can just end with one final question to the Minister of Health although it takes us into a slightly new area. I had discussed yesterday in my speech and I started to ask the Minister responsible for Housing (Mr. Ducharme) about vacant space in seniors' housing facilities, particularly ones that have a lot of bachelor suites.

I think in part because they are more affluent and in part because with the vacancy rates in other facilities they can get better quality or more room for the same price, there has been some discussion and I know some interest on the part of some of the operators in these facilities to move some of them to more personal care.

I am wondering if there have been discussions with his department about the possibility of providing the support services to allow some of these facilities to make that conversion.

\* (1740)

**Mr. Orchard:** Madam Chairman, let me understand

my honourable friend's question. This is in terms of elderly persons' housing units.

**An Honourable Member:** Yes.

**Mr. Orchard:** Okay. Yes, I have to tell my honourable friend there have been a number of proponents who currently have elderly persons' housing units within their Governments, and several organizations have made a proposal to myself, as Minister of Health, that some of those facilities ought to be moved to a level 1, level 2 personal care home.

We have had some discussions. I just want to tell my honourable friend where sort of the difficulty comes in achieving that, in that there are three basic intensities or levels of policy in terms of our—and when I say "our", the ministry of Health's support of senior citizens in the community, personal care home of course being the most permanent placement and most expensive, then the continuing care program with home care being provided to individuals in either their own homes or rented accommodation, and then the support services for seniors, which provides a range of services that Government has not and probably will not ever provide, simply because they are additional to and ancillary to what one might consider to be health related services, so that they are provided through support services for seniors on a charge-back basis.

In the elderly persons' housing units, our support to residents there—and again "our" being the ministry's support—has been through the Continuing Care Program or support services for seniors. What we have is a policy gray area where there is no existing policy of Government whereby funding can be provided to those facilities. The reasons are several. First of all, the type of facility is not designed originally for even level 1 or level 2 personal care home service provision, and secondly, in general terms, Government is moving away from level 1 and level 2 care throughout the system.

There has not been in the past, and I am guessing seven or eight years, a single personal care home built, either replacement or additional to the system, which has been not designed for level 3 or level 4 care. Most of the personal care home replacements have taken hostel units and replaced them with level 3, level 4, so that conceptually where I think we will be able to accede, if we can, and this is tentative at best, is to somehow make the Continuing Care Program provide those additional services to

seniors in elderly persons' housing. I do not know whether it is appropriate from a design of the facility, from a staffing, from a call back, from all of the support services that are built into a personal care home to make an economic conversion of elderly persons housing to level 1, level 2, of personal care home.

**Mr. Alcock:** Given the shortness of time, I am just going to make a comment that I would like the Minister to consider and then I would like to ask a question of the Minister of Housing (Mr. Ducharme). I know that somebody else wishes to get up before the day ends.

The comment is simply this. One of the problems with having Continuing Care accessing people within those facilities is that often if you have a facility like we have at 601 Osborne with 18 floors and a great many people living in it, you can have five or six or seven Continuing Care people going in and out of the building at the same time. There seems to be no co-ordination or organization or assigning of one or two people who might, even though they are working full-time. There seems to be an opportunity for a reorganization there.

To the Minister of Housing (Mr. Ducharme), there was a discussion that has gone on about the state of rental accommodation in the province. I know we are going to have a Bill and I will save some of the discussion until we get into the Bill. I would just like to ask him on what basis was the rent control guideline increase; why was the change made when it was made.

**Mr. Ducharme:** I thank the Member. Each year according to the Act the Minister of Housing or the Rentalsman's department comes forward—it is based on a formula—with a proposal on the rent guidelines. I must say to the Member that the main difference from 3 percent to 4 percent this year would be the tax increase of these apartments. That would be applicable as of January 1, 1991. There is a formula that is used. Instead of taking the time, as you said, I will get him a copy of what goes into that formula. It is about a page and I will get you that brief.

**Mr. Alcock:** I have spoken to the Minister before also about the problem that a lot of elderly people are facing in maintaining their homes. You know, people are increasingly, because of high taxation and the way it is putting pressure on very limited incomes, they are increasingly faced with the decision of having to close down their home and

move into a personal care home or move into some other kind of accommodation simply because they do not have the resources any longer or the physical strength to do very basic maintenance on their homes.

The Critical Home Repair Program only allows people on extremely limited income, and I know we cannot solve this problem for all individuals, but has there been any discussion within the department about establishing a program that will allow elderly people on fixed income to access basic home repair?

**Mr. Ducharme:** There is the Emergency Home Repair Program that has again been very successful this year. The only other program that is available right now, and you talk about the income, and as you know, the income is controlled on these particular programs by CMHC, and it is, as the Member said, very low. There is a program in the core area, the CAIGHO Program, which I announced in Question Period, or suggested in Question Period that will be brought forward, \$2.7 million.

I have a list of that complete program that I will give to the Member also, but as far as the allowance of the wages, as you know, it is controlled by CMHC on a lot of our programs.

**Mr. Alcock:** Okay, just a couple of more questions. This one for the Minister of Justice (Mr. McCrae) and the Minister of Government Affairs (Mr. Driedger) and I am not certain which one should answer the question, but I was interested in the remarks made by the Minister of Justice when he was asked about the conditions at the Agassiz Centre. He said that there was a 10-year plan, and he even had a price on that plan of some \$1.4 million for ongoing renovations to the centre. He said the Government Services had this plan in place and that it was being worked on, and it had been costed to that extent.

I wonder if the Minister of Government Services (Mr. Driedger) in this case could tell us if this practice is standard throughout Government, if all of the buildings have such forward maintenance plans, or whether this is specific to address the deterioration of Agassiz Centre.

**Mr. Driedger:** Yes, I would like to indicate that we developed that kind of a long-range maintenance plan for the MDC as well in Portage, but we did it on a staged basis, and we have done the same thing with the Agassiz Centre where we actually are

spending over \$100,000 this year. I do not have the exact amounts here, but we have a progression plan in place. In fact, we started on that program already, prior to the Ombudsman's report coming out. We realized that there were problems.

So we are trying to develop for most of these kinds of facilities, a series, yearly, long-term maintenance program on them. Some of them are in dire need, I have to indicate that, and it is just a matter of getting the funding in place for those things.

**Mr. Alcock:** The Minister of Justice (Mr. McCrae), though, indicated that the funding was in place for this particular program of 10 years. It was a \$1.4 million, I believe, within a few nickels of the amount available. Has that funding been approved by the Government?

**Mr. McCrae:** Madam Chairperson, I was referring to information made available to me from my colleague's department, the Department of Government Services. We are talking about long-range planning. We are not talking about monies approved. The \$100,000 that the Honourable Minister referred to a minute ago is monies approved for this year, which is part of that 10-year plan, so the Government wants to know what my colleague's department's outlays might be or might be required in years to come for the purposes of planning by the Minister of Finance (Mr. Manness). So that is set aside by my honourable colleague's department, and this year we are able to access \$100,000 of that money. When you say set aside, the Honourable Member would know that money is not sitting there in a pot waiting to be spent 10 years from now. That is not the way it works.

\* (1750)

**Mr. Alcock:** Yes, well, I thank the Minister for that clarification. In fact, the \$1.4 million is simply a figure in today's terms that hypothetically might be spent over the next 10 years if the Government so wishes, and is able to approve it, to address the commission to Agassiz Centre. But the only money that he could confirm is the figure in the order of \$100,000 for Agassiz this year?

**Mr. McCrae:** That is the amount of money being spent this year, out of a planned expenditure over 10 years of the magnitude of \$1.4 million, knowing what we know today, and knowing the rate of deterioration of buildings of the age of the Agassiz Centre buildings and so on. All departments are asked to be prepared for whatever our capital needs

might be in the future and whatever our needs might be in maintaining buildings to standards that are acceptable. As my colleague said, some of this work was ongoing before we even received the report of the Ombudsman.

**Mr. Alcock:** I wonder if I might ask a question of the Minister of Education.

**An Honourable Member:** Of course. Absolutely. Open Government.

**Mr. Alcock:** Open Government. Open Government is a wonderful thing. While education is not an area in which I have responsibilities or perhaps the knowledge of my Leader, but I do have a concern about the relationship between the Department of Education and the Department of Family Services relative to the placement of day cares and schools.

I understand there was a study done some time ago. I am wondering if the Minister can give me some sense of the status of that study and the action that he is contemplating in this year.

**Mr. Derkach:** The study that you are referring to I think is an examination of the procedures as to how we allocate space for day cares and also what criteria need to be applied to that allocation of space and whether in fact the procedure that has been used over the last five years or however long is appropriate. That is not completed yet and is an ongoing thing between the two departments. As soon as we have that kind of information, I will certainly be happy to report to the Member opposite.

**Mr. Alcock:** Is it fair to ask the Minister, is it fair to say to the Minister, that the department continues to support the principle of placing day cares within schools and providing space for them and seeing that the school divisions are held accountable for the provision of that space?

**Mr. Derkach:** Yes, it is still our policy to continue allocating the space according to the old policy. Indeed, the way it is done is that the recommendation for day care space comes from the Department of Family Services to our department when we construct a new facility. The school board, in requesting the facility, would send their request in to the Department of Family Services, who would then look at the area and see how many existing day-care facilities were in that area. If there is a need, then of course we can proceed to ensure that the capital facility is in place for that group.

**Mr. Alcock:** I have just a final question to the same Minister. Given that procedure has been followed,

the decision has been made and the space has been put aside in the school and the school has been constructed perhaps as a result of that agreement, after that fact, if the school wished to access that space for other purposes, would they not need to receive some approval from the Department of Family Services or from your department or whatever? The concern is, can that agreement that is put in place to ensure day care space within a school be abrogated without any recourse to your department or to the Department of Family Services?

**Mr. Derkach:** When a day care facility is built, it may not mean that it can be open immediately, because that depends on the budget allocations that Family Services have at their disposal. Sometimes a facility may be built and it may have to wait six months or so before it can be open. During that time, if a school wants to use it for a piano room, a music room, so be it. We are not going to chase them out of that. The priority is for day care space.

**Mr. Alcock:** I am very pleased to hear the Minister say that, because it was my understanding that if there is joint planning between the two departments and the school is then built and day care space is provided within the school and it is funded and it is operating and everybody is working, the school cannot then on its own come back and tell that day care to vacate and they will now take over that space for classroom space or resource space or whatever. They could not do that without receiving approval from the Department of Education and Family Services and/or.

**Mr. Derkach:** There is a joint agreement between the board and the local day care association for the sharing and the use of the other facilities, the administration of it, and that space. So it is the board that is really in control of that space. Now, if the day care board and the school board decide that they want to use that for some other purpose, then I would think that there should be some notification to the Departments of both Family Services and Education, and that is being done.

**Mr. Steve Ashton (Thompson):** Madam Chairperson, I have a question to the Minister responsible for MTS (Mr. Findlay). I had not anticipated having the time and being able to raise it today, but I would like to ask the Minister, in regard to the calling system that has very much been in the news in recent weeks—concerns expressed by the Member for Flin Flon (Mr. Storie) and concerns

expressed in a number of northern communities, in the case of Thompson, local residents are concerned about the rate increase that will follow the movement to that calling system.

When Cross Lake is included, it is going to have a particular impact on Cross Lake. I know the Member for The Pas (Mr. Lathlin) has indicated his concern about it. The City Council in Thompson has passed a resolution indicating its concerns about the calling systems, in particular, the rate increases involved.

What I want to ask the Minister is, whether there are not perhaps other ways in which this system could be implemented. I looked at the fact that MTS currently is making a profit. I looked at the fact that MTS is currently cutting long-distance rates for general calls within North America. I guess the bottom line is, people are asking if there are not other ways in which this calling system can be brought in without such major increases.

I also wonder if the Minister can look at the sequencing, because we are in the situation, Madam Chairperson, in my constituency, Cross Lake is being included. It is not part of the constituency. Out of the seven other communities, a number of the communities, including Nelson House, Split Lake and York Landing, will not be included in the Thompson calling system until approximately five years from now. So there is some concern about the logic of the way in which it is being developed. I would ask the Minister if he could address the question of the concerns in the communities about the rate increase and also about the sequencing.

**Hon. Glen Findlay (Minister responsible for the Manitoba Telephone System):** Certainly, the number of questions the Member asked are very extensive and very complex, but I would like to just tell him that the basic cost of telephone service in Manitoba to the subscribers he is talking about is really the lowest in the country.

In terms of the actual amount that his subscribers are paying, relative to the true cost to put the service in each of those homes, is probably about—and I am picking figures almost out of the air, but it is in the vicinity of 20 to 30 percent of the full cost is actually paid by those subscribers today.

With the new program of expanded exchanges, the subscribers are only paying 60 percent of the full cost. The other 40 percent is being spread across

all the users of the system. So there is a tremendous subsidy in your area relative to the true cost on a phone-by-phone basis in Thompson and in any of those areas.

With regard to what exchanges are brought together, it was determined by the calling patterns that are established on the record of MTS. So that is the process.

In terms of the long-distance rate reductions, clearly, we have reduced the rates by about 48 percent over the past two years. Yet, the revenue from long-distance calls in the Province of Manitoba is still increasing. So when you lower the cost, you increase the opportunity for people to access the system and they do it to a greater extent.

With regard to the profits that MTS is showing, the profits are an important part of running any kind of business. If you do not have a profit, you have to borrow more money for any capital improvements in the future. So they made \$35 million this year, \$15 million last year. That is very positive. That allowed them to reduce their debt to equity ratio, which is not in very good shape, and it allows us to put capital improvements in place in the future without having to borrow more capital. So they are running the corporation in a very businesslike and responsible manner.

**Madam Chairman:** The hour being 6 p.m., committee rise. Call in the Speaker.

### IN SESSION

### COMMITTEE REPORT

**Mrs. Louise Dacquay (Chairman of Committees):** The Committee of the Whole has considered Bill 19, The Interim Appropriation Act, 1990, directs me to report progress and asks leave to sit again.

I move, seconded by the Honourable Member for Sturgeon Creek (Mr. McAlpine), that the report of the Committee be received.

**Motion agreed to.**

**Mr. Speaker:** The hour being after 6 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

### ERRATUM

On Thursday, October 18, 1990, Hansard No. 6, page 197, left-hand column, Mr. Oscar Lathlin (The Pas), in his inaugural reply to the Speech from the Throne, was reported to have spoken in the Inuktitut language. Mr. Lathlin, in fact, spoke in Cree.

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