



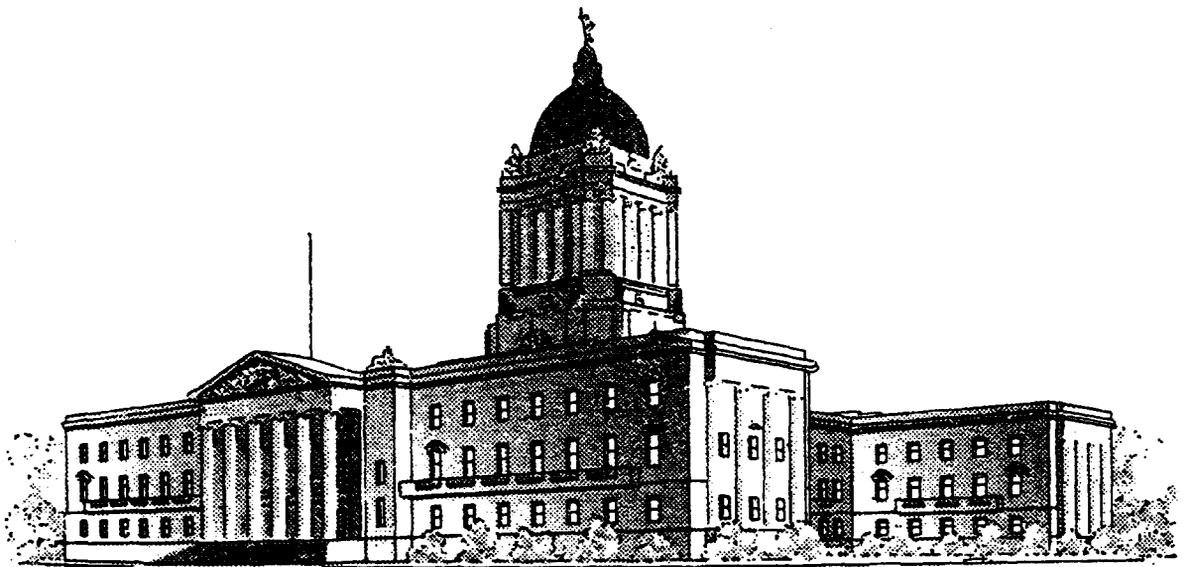
**First Session - Thirty-Sixth Legislature**

**of the**

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS  
(Hansard)**

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authority of  
The Honourable Louise M. Dacquay  
Speaker*



**Vol. XLV No. 28 - 1:30 p.m., Thursday, June 29, 1995**

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Sixth Legislature**

**Members, Constituencies and Political Affiliation**

<u>Name</u>	<u>Constituency</u>	<u>Party</u>
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert, Hon.	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim, Hon.	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David	Riel	P.C.
PALLISTER, Brian, Hon.	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupert Island	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Thursday, June 29, 1995**

**The House met at 1:30 p.m.**

*PRAYERS*

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Funding Model for Quality Public Education**

**Mr. Steve Ashton (Thompson):** Madam Speaker, I would like to present the petition of Sylvia Fillier, Virginia Davis, Shannon Achter and others requesting the Minister of Education and Training (Mrs. McIntosh) to reconsider the funding model to ensure that Thompson and other communities in this province are able to maintain quality public education.

**READING AND RECEIVING PETITIONS**

**Funding Model for Quality Public Education**

**Madam Speaker:** I have reviewed the petition (Mr. Ashton), and it complies with the rules and the practices of the House. Is it the will of the House to have the petition read (by leave)?

**Some Honourable Members:** Yes.

**Madam Speaker:** The Clerk will read.

**Mr. Clerk (William Remnant):** The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS funding for public schools by the provincial government has been cut twice in the past three years; and

WHEREAS provincial funding for the school district of Mystery Lake has dropped by nearly \$2 million over the same period, more than 10 percent; and

WHEREAS funding for private schools has increased by over 110 percent under the same provincial government; and

WHEREAS Thompson was faced with a 48 percent increase in the education support levy tax as a result of reassessment in 1993, resulting in \$500,000 leaving our community; and

WHEREAS the Thompson school district is also now faced with a massive \$1.8-million deficit equivalent to a 48 percent increase in local school taxes; and

WHEREAS unless the minister reviews this funding the Thompson school district will be forced to consider both a \$500,000 tax increase and severe program cuts totalling over \$1.3 million.

WHEREFORE your petitioners humbly pray that the Legislative Assembly request the Minister of Education and Training (Mrs. McIntosh) to reconsider the funding model to ensure that Thompson and other communities in this province are able to maintain quality public education.

\* (1335)

**PRESENTING REPORTS BY  
STANDING AND SPECIAL COMMITTEES**

**Standing Committee on Law Amendments  
Third Report**

**Hon. Jim Ernst (Government House Leader):** I wonder, Madam Speaker, if the House would grant leave to consider the report of the Committee on Law Amendments from this morning.

**Madam Speaker:** Is there leave of the House to present the report of the Committee on Law Amendments from this morning? [agreed]

**Mr. David Newman (Vice-Chairperson of the Standing Committee on Law Amendments):** Madam Speaker, I beg to present the Third Report of the Committee on Law Amendments.

**Mr. Clerk (William Remnant):** *Your Standing Committee on Law Amendments presents the following as its Third Report.*

*Your committee met on Thursday, June 29, 1995, at 10 a.m. in Room 255 of the Legislative Building to consider bills referred.*

*At that meeting, your committee elected Mr. Newman to fill a vacancy for the Vice-Chairperson position.*

*Your committee has considered:*

*Bill 35—The Elections Amendment, Local Authorities Election Amendment and Consequential Amendments Act; Loi modifiant la Loi électorale, la Loi sur l'élection des autorités locales et apportant des modifications corrélatives*

*and has agreed to report the same without amendment.*

*All of which is respectfully submitted.*

**Mr. Newman:** I move, seconded by the honourable member for Gladstone (Mr. Rocan), that the report of the committee be received.

**Motion agreed to.**

#### **Committee of Supply**

**Mr. Marcel Laurendeau (Chairperson of Committees):** Madam Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for Turtle Mountain (Mr. Tweed), that the report of the committee be received.

**Motion agreed to.**

#### **Introduction of Guests**

**Madam Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery, where we have seated this afternoon forty Grades 1 to 10 students from New Haven School under the direction of Ms. Margaret Mozden. This school is located in the constituency of the honourable member for Gimli (Mr. Helwer).

On behalf of all honourable members, I welcome you this afternoon.

#### **ORAL QUESTION PERIOD**

##### **Health Sciences Centre Budget Reduction**

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, my question is to the acting Premier.

Before the election, the government, based on questions we raised on numerous occasions, would not confirm any cuts to the Health Sciences Centre and reductions in staffing pursuant to the government cuts.

Madam Speaker, we have learned that the Health Sciences Centre has informed staff that they will have to implement a 7.5 percent reduction in their budget or a \$19-million reduction in their budget effective April 1, 1996—bad news after the election campaign, completely inconsistent with government statements in this Chamber before.

I would like to ask the Deputy Premier (Mr. Downey) to confirm the reductions of 7.5 percent, \$19 million, at the Health Sciences Centre.

\* (1340)

**Hon. James McCrae (Minister of Health):** Madam Speaker, for this fiscal year, last November, the Minister of Finance (Mr. Stefanson) met with representatives of the hospitals, personal care homes and community health centres to announce the level of funding for 1995-96.

The honourable member would be quite incorrect to suggest that there was anything other than an early and open approach to the discussion of the various financial plans for the hospitals.

There is also no question but that the next fiscal year will be another challenging year for the health sector and the year after that and the year after that. As long as the federal government continues to turn the tap off on transfers for health care, we will be challenged. I say that in the context that we continue, Madam

Speaker, to contribute 34 percent of our budget to health care, the highest level anywhere in this country.

**Mr. Doer:** I would like to table a letter in the Chamber today from a director of human resources at the Health Sciences Centre stating that effective April 1, 1996, we will be required to reduce our operating budget by \$19 million or approximately 7.5 percent at the Health Sciences Centre.

Madam Speaker, this is a question we asked in December to the provincial government which they refused to answer, long before the federal budget.

I would like to ask the minister to confirm the number today, and will that be the target reduction for other hospitals in the province of Manitoba?

**Mr. McCrae:** Madam Speaker, I will not immediately comment on a letter written from the Health Sciences Centre to somebody else, so I will look further into the letter the honourable member refers to, and I do not confirm that for the other hospitals, each of which work with their autonomous boards and work to serve their mandates.

As I said to the honourable member, all hospitals in Canada, except for the seven that have been shut down in Montreal, except for the 52 that have been shut down in Saskatchewan, except for the 10,000 hospital beds shut down in NDP Ontario, formerly NDP Ontario, all hospitals in Manitoba will be continuing to restructure, Madam Speaker, to continue to put emphasis on not-for-admission surgeries, day surgeries and to continue to look at the technologies that are available, many of which the honourable member might be interested to know also help patients to recover faster and to experience less intrusion with respect to surgical procedures.

**Mr. Doer:** I would like to ask the Deputy Premier who is also, allegedly, according to Order-in-Council, a member of the government's Treasury Board, how can this Conservative government, this provincial Conservative government, justify cutting \$19 million out of the Health Sciences Centre after the election, when they have, according to the Minister of Finance

(Mr. Stefanson), ample funds available for the Winnipeg Jets, \$37 million for the Winnipeg Jets?

How can he justify the priorities of this government to cut health care and subsidize hockey, Madam Speaker?

**Hon. James Downey (Deputy Premier):** Madam Speaker, I do not know when the members opposite are going to realize what happened on April 25 of this year, when we went to the people of Manitoba, clearly indicating that this government was putting \$500 million more in health care than was put in under his administration in 1988—\$500 million more.

Madam Speaker, to put the debt on the people of Manitoba, as he did in spending money in Saudi Arabia, \$27 million—absolute waste. This government is managing the affairs of health care very well.

\* (1345)

#### **Health Care System Child Psychiatric Services**

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, I have a new question to the Deputy Premier.

Of course, the Deputy Premier will confirm that all the way through the election campaign, the government had the audacity to promise to limit, to limit their contribution to the hockey arena and team at \$10 million and cancel the operating loss agreement, words that fall like a house of cards in terms of the light of day after the election campaign.

I would like to ask the Deputy Premier, in light of his newfound commitment to the health care system of Manitoba, will they be keeping the beds at the children's psychiatric centre at the Health Sciences Centre open, the beds that they opened on March 23?

Will they be keeping the beds open?—because, already, as we have raised in the House day in and day out, children have been turned aside because the beds are scheduled to be closed by this Conservative government.

**Hon. James McCrae (Minister of Health):** Madam Speaker, the honourable Leader of the Opposition knows very well, and I believe supports, the mental health reform plans of the government and much of its implementation. He picks and chooses, of course, to meet his needs on occasion. I would like to see those beds closed, because I would like not to have to need them. If there is an indication that they are needed, they will be there for us to use. The honourable member and I should probably agree on that point, but here again there is an opportunity for him, and he is not going to miss out on such an opportunity.

Madam Speaker, the Deputy Premier (Mr. Downey) has very eloquently put forward an important matter. If it was not for that particular member, the Leader of the Opposition, when he sat on this side around the cabinet table, we might not have to put out \$634 million in interest charges.

Madam Speaker, can you imagine how many hospital beds we could have open today, how many community programs we could have in effect today, if those honourable members and their friends in the union movement had not forced us to pay \$634 million this year in interest charges?

**Mr. Doer:** Madam Speaker, again the minister has not answered the question. He did not answer the first two questions we raised with him. The Deputy Premier (Mr. Downey) has not answered the question about the cuts at the Health Sciences Centre.

I want to ask the minister again. In light of the fact that two doctors at the Health Sciences Centre have stated that closing the psychiatric ward and not admitting young patients, some as young as four years old, Madam Speaker, will put those young people at risk, what impact will a further \$19 million and a further 7.5 percent cut have on young children who need children's psychiatric service and are being turned away callously, because this government's priorities are hockey teams, not health care for children here in the province of Manitoba?

**Mr. McCrae:** This is the same type of rhetoric that I recall vividly experiencing for 35 days in a recent election campaign, most of it not true, but a lot of it

high-powered rhetoric, aided and abetted financially by their union-boss friends in the buying of television time, using actors to try to put across what the honourable Leader of the Opposition is trying to put across today.

I have no interest whatsoever in subjecting a four-year-old to a lack of mental health services, and in our discussions and working relationships with Health Sciences Centre, I am not going to allow the kind of situation the honourable member and his actor friends in the union movement want to portray.

\* (1350)

**Mr. Doer:** Well, the minister did not answer the question again.

The ward is slated to close tomorrow. Children, right now, are not being admitted. Dr. Vickar and Dr. Steinberg have both said that children as young as four years old will be put at risk by the Conservative government, this Minister of Health's decision on this children's psychiatric unit at this Health Sciences Centre in this province of Manitoba.

Will the minister listen to the psychiatric experts who say that we need those beds for our children and keep those beds open for our young children, so that they can get needed psychiatric help at the earliest possible age, when it is most effective for those kids, or will he deny those children those opportunities and allow the closure of those beds to take place tomorrow, as scheduled by his government's decision?

**Mr. McCrae:** Of course, we will listen to those doctors, Madam Speaker, and we also—is the honourable member suggesting that we turn our backs on the Winnipeg Regional Mental Health Council that says close the beds? I mean, these are the kinds of different points of view that we get in the health system.

But, Madam Speaker, I am not going to allow children to go without service. I give the honourable member that commitment, and if that means having beds available to be open or if it means leaving beds open, that is what it means.

We have said consistently before the election to which the honourable member wants to refer, and we have said consistently after, patient care is the No. 1 priority.

### **Health Sciences Centre Budget Reduction**

**Mr. Dave Chomiak (Kildonan):** Madam Speaker, the only thing consistent is that a number of beds opened before the election, and they are now slated to close, and waiting lists were reduced before the election, and now they are stopping those programs. It is pre-election rhetoric from this minister, and then they close it after the election.

My question for the minister: I find it extraordinary the minister is not prepared to answer the question about the \$19-million cut to the Health Sciences Centre. Either the minister does not know what is going on in his department, or is the minister saying the Health Sciences Centre made up this figure of \$19 million to reduce their own budget by \$19 million?

Is that what the minister is saying by refusing to answer the question, that somehow they pulled this number out of the air, and it did not come from the Department of Health?

**Hon. James McCrae (Minister of Health):** I think, Madam Speaker, the only area that I could learn any lessons from the honourable member and his Leader would be in the area of rhetoric. I may not be as good at rhetoric as they are, but I hope we can persuade and demonstrate to honourable members that when it comes to commitment to health care, we have certainly done a better job than they ever had dreamed of doing. Their commitment to health care, as measured by the budget, was nowhere near what the present commitment to health care is in the budget of the government of Manitoba.

Their commitment to health care, if you want to measure it in the amount they are prepared to send off to the bankers and the creditors of Manitoba, to the extent of \$634 million this year and hundreds of millions of dollars every year, rather than spending them on areas where we could use them far more

productively, I suggest that is an area I do not want to copy, Madam Speaker.

The letter the honourable Leader of the Opposition (Mr. Doer) tabled spoke about how there will be a reduction of this amount and that percentage. It is all anticipated. The honourable members know very well, Madam Speaker, there is a long planning process in budgeting in hospitals, and there are targets that are looked at.

**Mr. Chomiak:** Madam Speaker, given that the minister has confirmed that there is a \$19-million reduction to Health Sciences Centre in anticipated targets, will the minister advise this House whether or not he will outline for the House what programs are being cut, since this memo talks about programs that must be cut by the Health Sciences Centre?

Will that include the cardiac waiting-list program, and will that include the psychiatric children's care program that is now being cut, Madam Speaker?

\* (1355)

**Mr. McCrae:** Madam Speaker, the Health Sciences Centre has a budget of approximately \$250 million. They have hundreds of programs in operation at their hospital, and they are like other hospitals in Canada, not like the 52 in Saskatchewan that got closed, not like the seven in Montreal that are getting closed. They do not have to worry about budgets there anymore.

The ones that are open in Manitoba, all of them, all have budget challenges year in and year out, and is it not interesting that, in the days when honourable members opposite were dealing with double-digit revenue increases year over year and still borrowing hundreds of millions of dollars, we had the same kinds of debates then, Madam Speaker?

### **Personal Care Homes Safety Standards**

**Mr. Dave Chomiak (Kildonan):** My final supplementary to the minister is in regard to the personal care homes report that he released this morning.

Can the minister explain how Manitobans can have any confidence that the recommendations in the area of safety and personal staffing will be quickly dealt with as a result of this report, insofar as this matter was brought to the minister's attention a year ago? He set up a committee. The committee reported before the election. The report has come out now after the election, and, now, finally, they have recommendations that will be worked on, not now, not next month, not until next year, Madam Speaker. How can we have any confidence that staffing and security are being dealt with?

**Hon. James McCrae (Minister of Health):** Madam Speaker, the honourable member will not have confidence in any plans that we announce, but the confidence that I have rests in the consultation approach that we use, the fact that so many stakeholders were part of the consultations—professionals, care providers, recipients of care and their families and the consultations that happened as recently as yesterday with various organizations which expressed satisfaction with the report and the actions that the government intends to take.

### **Bell of Batoche Theft**

**Mr. Gord Mackintosh (St. Johns):** Madam Speaker, as an important historic object, indeed as a national treasure, the bell of Batoche must become accessible to all Metis, perhaps again at Batoche, and must be treated with the utmost of respect.

In the fundamental understanding that two wrongs do not make a right and that there must be a swift and legal return of this treasure to a rightful place, I ask the Minister of Justice, would she tell Manitobans when she or her department first received information as to the likely whereabouts of the bell of Batoche?

**Hon. Rosemary Vodrey (Minister of Justice and Attorney General):** In answering that question, I would like to answer a question taken as notice on my behalf yesterday.

Yesterday, on the question taken as notice, I was shocked and surprised that the honourable member for

St. Johns raised the matter of a police investigation into the bell of Batoche.

This House has a history of respecting the integrity of a police investigation for these reasons; first of all, fairness. In the interests of fairness, we do not enter into public discussion on any of these issues because the people, in fact, may be innocent. Secondly, not for a moment do I nor any member of this House want to interfere by way of discussion into a police investigation. However, I would note that the Winnipeg police have provided some comment in this matter. In these circumstances, I think it is important to provide the honourable member with some information on this situation for the purpose of dispelling any notion of impropriety on the part of our Crown attorneys in Manitoba.

Madam Speaker, I can confirm the police have contacted our Crown attorneys with respect to the bell. This is a normal part of the responsibilities of Crown attorneys in this province for the purpose of giving advice.

Madam Speaker, as this allegedly took place in Ontario, we have forwarded all materials, all materials, to the Ontario Attorney General's department.

**Mr. Mackintosh:** My supplementary, Madam Speaker: In the interests of fairness and in the interests of the people of Manitoba through its representatives in this House asking questions of public concern which she is well aware is our obligation under Beauchesne's, I ask this minister to explain why the Crown in Manitoba has not proceeded with charges or search warrants, and who is delaying the legal process, especially search warrants, which by now may be useless?

\* (1400)

**Mrs. Vodrey:** I am shocked again today by the member of the other side.

### **Point of Order**

**Mr. Steve Ashton (Opposition House Leader):** On a point of order, Madam Speaker, Beauchesne's

Citation 417 is very clear: "Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate."

We need no lectures from this minister either on the process of law or on the process of this House and I would ask that you call her to order and ask her to answer the questions put forward by the member for St. Johns.

**Madam Speaker:** Order, please. In my opinion, the honourable member for Thompson does not have a point of order. I was of the opinion that the minister was about to respond to the question posed by the honourable member for St. Johns.

\* \* \*

**Mrs. Vodrey:** As the member across the way knows, in a general sense and in all cases, the police have the opportunity to consult with our Crown attorneys, but it is the police who make a decision regarding the application for a search warrant which is, of course, granted by the judiciary.

**Mr. Mackintosh:** Well, has the Justice minister received a report from the Minister of Northern and Native Affairs (Mr. Praznik) about information that minister has in his possession, and has she demanded that the minister aid in the investigation by immediately reporting that information to the authorities?

**Mrs. Vodrey:** Madam Speaker, the member makes very strong allegations regarding a member of this House. I have confirmed today that all materials in relation to this alleged incident have been forwarded to the Attorney General of Ontario. This is allegedly where the incident took place. Decisions will be made within the Province of Ontario.

#### **St. Germain-Vermette Secession**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, my question is for the Minister of Urban Affairs.

When asked to comment on the possibility of secession, of St. Germain and Vermette potentially

seceding from the City of Winnipeg, the minister had suggested that secession is only a concern of those communities that are, in fact, contemplating it.

Given that the Minister of Urban Affairs is charged with the responsibility of protecting the interests of the City of Winnipeg, will he acknowledge that communities seceding have a tremendous impact on the entire city of Winnipeg?

**Hon. Jack Reimer (Minister of Urban Affairs):** Madam Speaker, the member is referring to a situation that is in the preliminary stages of report finalization regarding the St. Germain-Vermette study. I have not been presented with the final report or any recommendations on it. I cannot comment as to what their decisions are and what their recommendations are on that report.

**Mr. Lamoureux:** Madam Speaker, I am asking the Minister of Urban Affairs, does he not believe that if a part of the city of Winnipeg wants to secede, that it is going to have a dramatic impact on other communities in the city of Winnipeg? Will he at least acknowledge that that is, in fact, the case?

**Mr. Reimer:** Madam Speaker, the member for Inkster is asking a hypothetical question and to give an answer on what a certain area of the city would do or would not do, these are opinions that I cannot speculate on in a sense of any type of finality.

**Mr. Lamoureux:** Headingley is not hypothetical. Headingley—

**Madam Speaker:** Order, please. The honourable member for Inkster, with a supplementary question.

**Mr. Lamoureux:** Can the minister indicate whether any mechanism might be put into place to ensure that other communities within the city of Winnipeg which will be negatively affected in the event that the city starts to disintegrate, Madam Speaker, will have their voices heard in a process that is leading to secession?

Will he ensure that there is a mechanism that will allow other parts of the community of Winnipeg to have input?

**Mr. Reimer:** Madam Speaker, in doing research on prior ministers of Urban Affairs, I look sometimes back to them for the wisdom of decision making and some of the precedents that they have formed.

In regard to Headingley, I went back into the archives to look at what some of the former ministers of Urban Affairs had said. I would just like to quote, if Madam Speaker would give me a moment here, regarding a question that was posed to a former Urban Affairs minister.

He replied: We are going to study the issue regarding Headingley, whether they should or should not, and then what options they have as residents. They are going to have to decide themselves the benefits that they are not living with and the drawbacks. We are not going to do that for them. We are not going to tell them whether it is good or bad to stay there. That is their decision.

That is from the honourable member for Concordia (Mr. Doer) when he was the Minister of Urban Affairs.

For me to speculate at this time what decisions people are going to make, what the situations are going to be and the choices they are going to make, those are up to the people to make.

### **Bell of Batoche Theft**

**Mr. Gord Mackintosh (St. Johns):** Madam Speaker, my question is to the Minister of Northern and Native Affairs.

Would the minister tell Manitobans where, at what function and when did he see the bell he told a scrum of reporters and myself about yesterday?

**Hon. Darren Praznik (Minister of Northern Affairs):** Yes, Madam Speaker, I believe the Attorney General has spoken about the investigation.

As this House has been told, any investigation into a criminal act in Ontario is certainly being properly conducted by police and the appropriate authorities in respect to the Attorney General's department, and I

believe, Madam Speaker, that the information I provided yesterday is certainly there on the record today.

**Mr. Mackintosh:** Would the Minister of Northern and Native Affairs tell Manitobans where, at what function and when did he see the bell he told a scrum of reporters and myself about yesterday, and, indeed, would he tell this House whether, in fact, he rang this bell or dealt with it in any way?

**Mr. Praznik:** Madam Speaker, I say to the member, first of all, I have not rung the bell of Batoche. I do not even know if I have ever seen the bell of Batoche, as I have indicated. I do not know how large the bell of Batoche is or what is on the bell of Batoche. [interjection]

Well, the member for Thompson (Mr. Ashton) says, there are a lot of events for bells. One of his colleagues had a bell in the House today. Am I supposed to go to the police and indicate that may be the bell of Batoche? That is a silly comment, Madam Speaker.

**Mr. Mackintosh:** I have a final supplementary.

After seeing the bell that the minister referred to yesterday, did the minister report the sighting to the police or to authorities?

Did he confer with government officials or any members of this government, rather than treat the Metis and the law with contempt by condoning and allowing this national treasure to remain in the hands of a very few under a legal cloud, Madam Speaker?

### **Point of Order**

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, the member for St. Johns has made allegations in this House now on two occasions, allegations that heretofore I have not seen any evidence for. If he has allegations to make, let him make them and let him prove that his allegations are correct, either that or withdraw.

It is not the purview of this House, Madam Speaker, to have a member raise questions or raise inferences or

make accusations in this House that are unfounded. If he has evidence, let him table it. If he does not have evidence, let him withdraw.

**Mr. Steve Ashton (Opposition House Leader):** On the same point of order, Madam Speaker, first of all, I believe the minister is debating the issue. Second of all, the member for St. Johns is basing his question on statements made by the minister and is asking for specific dates and specific circumstances on facts that have already been confirmed by the minister.

The essential test which we always have in this House of members bringing forth information which is factual, the member for St. Johns, the facts that he is basing his questions on are the statements by the minister himself.

**Madam Speaker:** On the point of order, I, indeed, do want to review the transcripts of Hansard, and I will, if necessary, report back to the House.

\* \* \*

**Madam Speaker:** The honourable Minister of Northern and Native Affairs, to respond to the question.

**Mr. Praznik:** Yes, Madam Speaker, I would like to.

First of all, Madam Speaker, what I have heard from the member for St. Johns is innuendo about a lot of different people, and I think that is most appropriate. I want to say to the member, as well, that he makes accusations about me. I have to tell the honourable member, Madam Speaker, in answer to the member's question, I have had occasion as an MLA where I have had information provided to me or was aware of information that I had to provide to the police in an investigation.

I take that very seriously, Madam Speaker, and I would never condone an act of theft in retrieving an historical document. I would never want to do that, but I am glad to see that the member for St. Johns today also agrees that the bell of Batoche has a rightful historical place in Batoche. Yesterday, that was not his view.

\* (1410)

### **University of Manitoba Sexual Harassment Report**

**Ms. Diane McGifford (Osborne):** Madam Speaker, my questions are for the Minister of Education, and they are in regard to the chilly climate in the Political Studies department at the University of Manitoba.

Chilly climate is a continuum that can include sexual harassment, stalking, threats and sexual assault, as well as conditions that affect employment. At the University of Manitoba, insinuations abound, but nobody has presented an open and public account of the contents of the ad hoc committee's investigation.

My first question for the minister is, since the minister has a copy of the report, could she tell us if it contains allegations of sexual assault, stalking or threats?

**Hon. Linda McIntosh (Minister of Education and Training):** Madam Speaker, I have to indicate to the member that I have the report, and I have discussed the report with the president of the university.

He, like me and like the members on this side of the House and, I believe, like members opposite, is also concerned about the chilly climate, which is the terminology that is being used to indicate a climate in which certain groups of people, in this case, women, are left to feel outside the normal scope of things. As well, of course, I had indicated my concern that I wanted to know what kinds of actions were being taken, if there were any particular allegations about specific individuals.

The president of the university is going to be responding to me, and, as well, I believe that the dean of that particular faculty is referring the matter to the Human Rights Commission, any allegations that came to him.

**Ms. McGifford:** Madam Speaker, can the minister assure us here today that to the best of her knowledge, there have been no allegations of sexual assault, threats or stalking?

**Mrs. McIntosh:** Madam Speaker, I do not know if the report is a public report that the member has. I do not know if the member herself is referring to any specific individuals or incidences.

What I can tell the House is that I have discussed the matter with the president and asked that if there is anything of that nature, I would like to see that followed up on, and the president has indicated that he also will ensure that if there is anything of that nature, that it will indeed. In the meantime, they have already started upon action concerning the chilly climate at the university, and I assure the member of my continued monitoring and dialogue on this particular issue.

**Ms. McGifford:** Madam Speaker, my third question is also for the Minister of Education. If members of the university administration or members of the ad hoc committee had heard allegations of indictable offences, what onus is on them to report these incidences?

**Mrs. McIntosh:** Madam Speaker, there are two points in response to that. I assure the member that any allegation of criminal wrongdoing would certainly never go ignored by any member of the faculty or of the diaconate or the president or the government.

I also wish to indicate to the member that because there was a lot of confidentiality aspect around conversations concerning that report, that in respecting people's privacy, it is difficult to say so-and-so said this and so-and-so said that, because we do not wish to intrude upon people's privacy.

That is always a dilemma on this side of the House, whether it concerns a pupil, a patient, this type of incident or things before the courts. There are certain things that it is just not appropriate to discuss. What I can say to the member to get at the root of her concern, which is, I believe, if there is any wrongdoing, will it be dealt with, the answer to that is yes.

#### **Health Care System Child Psychiatric Services**

**Mr. Conrad Santos (Broadway):** Niccolo Machiavelli once said that the great majority of mankind is satisfied with appearances as though they

are realities and are often more influenced by the things that seem rather than those that are.

Public appearances of fiscal prudence in health care spending cuts cannot hide human sufferings, particularly of young people, mentally disturbed youth, who are being denied psychiatric attention due to the misplaced priorities of this government.

Madam Speaker, my first question I would like to ask the Minister of Health is, what is the reason why a young man who had been placed in confinement since May 31 and of whom I wrote on June 12—I have not received an answer to this point. I do not know what is happening and what is going on in there.

Is it still the policy of this government to deny psychiatric assistance to those people needing help?

**Hon. James McCrae (Minister of Health):** No, Madam Speaker, it certainly is not, never has been, never will be.

I appreciate the concern expressed by the honourable member. He has, indeed, written to me about a young fellow who is receiving psychiatric care, although in a location which I think is not appropriate. I think the honourable member for St. Johns (Mr. Mackintosh) asked about that same case recently.

The care is there, Madam Speaker. It would more optimally be provided in another location, and we are trying to arrange for that.

**Mr. Santos:** Madam Speaker, even the authorities in the youth centre were saying that they have no facilities to take care of this youth, and they have no guard sometimes to attend to his needs. My question is, how many more days must this youth be detained in the wrong facility such that he does not have access to psychiatric and medical attention?

**Mr. McCrae:** Madam Speaker, the honourable member is wrong. This individual does have access to psychiatric and medical attention.

As I have said, however, I believe it should be provided in another place. I agree with the honourable

member on that point, and we are making every effort to make that other place available, but twice now the honourable member has said he is being denied service, and he is not.

Just in conclusion, I am advised that Machiavelli once said that those who most resist change are those who have the most to gain from the status quo. I think the honourable members representing their union-boss friends, as they do, are more like—

**Madam Speaker:** Order, please.

#### Point of Order

**Mr. Steve Ashton (Opposition House Leader):** On a point of order, Madam Speaker, I would point out once again that answers are supposed to relate to the matter raised.

While the minister may wish to discuss Machiavelli, and quite obviously their election campaign in terms of Machiavelli's Prince—we can get into those literary debates if the member wants, but we would appreciate it if he would answer the very serious question raised by the member for Broadway, instead of engaging in those kinds of comments.

**Mr. McCrae:** On the same point of order, the honourable member for Broadway raised a very serious matter. I gave a very serious answer.

The honourable member for Thompson wants to criticize me for doing precisely what the member for Broadway did.

**Madam Speaker:** On the honourable member for Thompson's point of order, there is no point of order. It is clearly a dispute over the facts.

The honourable Minister of Health also does not have a point of order.

\* \* \*

**Madam Speaker:** The honourable member for Broadway, with one very short supplementary question.

**Mr. Santos:** If this government is to choose between the value of human compassion or saving money, which one will this government choose?

**Mr. McCrae:** Madam Speaker, our record over the past seven years suggests the former, that being human compassion, rather than the latter, because we are spending 34 percent of our budget on health care, a higher level than anywhere else in this country. I sure wish we had \$634 million more, but the NDP denied us that money.

\* (1420)

#### Winnipeg Jets/Arena Government Briefing

**Mr. Tim Sale (Crescentwood):** Madam Speaker, I would like to ask the Deputy Premier whether on Monday evening of this week past, they received a briefing with some substantive detail from the Dominion Hunt-Spirit consortium in cabinet, where certain documents were left with members of cabinet.

Can the minister confirm that that briefing took place this Monday evening past or at some other time this week?

#### Point of Order

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I will find the exact quotation. It is 409—I cannot find the exact quotation alone, but it is Section 409 in Beauchesne's which clearly indicates that questions of cabinet confidence ought not to be addressed in the Chamber here.

**Madam Speaker:** Order, please. The honourable Minister of Consumer and Corporate Affairs was up on a point of order?

**Mr. Ernst:** Yes, Madam Speaker.

**Madam Speaker:** I thank the honourable minister for that clarification.

**Mr. Steve Ashton (Opposition House Leader):** Yes, on the same point of order, I think the minister was

probably referring to 411, Citation 2, but I believe, Madam Speaker, if you were to listen to the question that was placed by the member, he very clearly indicated that he was asking a question as to whether the government had been briefed, was not referring to cabinet per se, and, in fact, I think he made that very clear. He clarified that in his final question.

He clarified that he was not referring to cabinet being briefed but whether the government had been briefed.

It is clearly out of order to make reference to proceedings in a cabinet meeting, but it is not out of order to ask if this government received a briefing on this report on the arena.

**Madam Speaker:** Order, please. To be absolutely certain that the ruling is fair, I, indeed, will take this under advisement and confirm that, indeed, there was reference to cabinet in the question from the honourable member for Crescentwood.

\* \* \*

**Madam Speaker:** The honourable member for Crescentwood, very quickly, a supplementary question.

**Mr. Sale:** I would like to ask the members opposite whether there has been a meeting at which the discussion has taken place as to the building of the new arena, the design of the new arena and the details of that process at which they were given information as members of the government.

**Hon. James Downey (Deputy Premier):** The answer, Madam Speaker, is yes.

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

### ORDERS OF THE DAY

**Hon. Jim Ernst (Government House Leader):** I move, Madam Speaker, seconded by the Minister of Environment (Mr. Cummings), that Madam Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

**Madam Speaker:** Order, please. Does the honourable government House leader wish to withdraw that previous motion?

**Mr. Ernst:** With the permission of my seconder, Madam Speaker, yes, I do.

I got ahead of myself here.

Madam Speaker, would you call for second reading of Bill 18 and Bill 26?

### SECOND READINGS

#### Bill 18—The Housing and Renewal Corporation Amendment Act

**Hon. Jack Reimer (Minister of Housing):** Madam Speaker, I move, seconded by the Minister of Education (Mrs. McIntosh), that Bill 18, The Housing and Renewal Corporation Amendment Act; Loi modifiant la Loi sur la société d'habitation et de rénovation, be now read a second time and referred to a committee of this House.

#### Motion presented.

**Mr. Reimer:** Madam Speaker, I am pleased to speak on Bill 18, a bill to amend The Housing and Renewal Corporation Act.

During the recent election campaign, our Premier (Mr. Filmon) spoke of the need to adapt our institutions to modern times, to make them more responsive to the citizens they serve and to seek greater economies in the conduct of public business. The Premier also committed this government to reduce the number of separate Crown entities delivering public services.

The Manitoba Housing and Renewal Corporation was created in 1967 as a separate Crown corporation that operated within general policy and fiscal guidelines issued by government. In 1982, the Department of Housing was created. Manitoba Housing and Renewal Corporation became a Crown corporation with no employees and only civil servants on its board of directors, with the Minister of Housing serving as chair.

A great deal has changed since 1982. Three years ago, the Manitoba Housing Authority was created to consolidate the operations of over 90 separate housing authorities in this province. This measure was designed to improve the efficiency of providing social housing to those Manitobans that need it and to introduce greater equity and consistency in the manner by which our tenants, our clients access these services.

Manitoba Housing and Renewal Corporation has been the institution which has funded and monitored the activities of the Manitoba Housing Authority. Both the Manitoba Housing and Renewal Corporation and the Manitoba Housing Authority are served by civil servants within the Department of Housing. The various working relationships between a department of government, a Crown corporation and a Crown agency have introduced a certain degree of ambiguity in reporting relationships, responsibilities and accountability for performance. There may be a certain amount of duplication in the current situation, and this bill will give the government some flexibility in clarifying these roles and responsibilities.

Indeed, as recently as June 15, 1995, the Provincial Auditor's office has commented on the need for some clarification in the working relationship between the Manitoba Housing and Renewal Corporation and the Manitoba Housing Authority.

I quote from a letter that was sent to me: We are also concerned with the reporting relationships which result from the existence of two separate boards of directors, one of MHRC and one of the Manitoba Housing Authority. It would appear that with both boards there is not always clarity as to the responsibility and authority. We recommend that you review the existing governance structure.

Bill 18 removes the existing limitations on composition of the Manitoba Housing and Renewal Corporation board and gives the government the option of opening board membership to noncivil servants, to consolidate the Manitoba Housing Authority and Manitoba Housing and Renewal Corporation if that is deemed to be appropriate and to clearly clarify accountability in the management of tax dollars for social housing.

We are committed to change, to improvement and to delivering social housing as effectively as possible.

Madam Speaker, that concludes my introductory remarks. I look forward to a fuller discussion of the bill at committee stage. Thank you.

**Ms. Becky Barrett (Wellington):** Madam Speaker, I move, seconded by the member for Wolseley (Ms. Barrett), that debate be adjourned.

**Motion agreed to.**

#### **Bill 26—The Liquor Control Amendment Act**

**Hon. Harold Gilleshammer (Minister of Culture, Heritage and Citizenship):** Madam Speaker, I move, seconded by the honourable Minister of Education and Training (Mrs. McIntosh), that Bill 26, The Liquor Control Amendment Act; Loi modifiant la Loi sur la réglementation des alcools, be now read a second time and be referred to a committee of this House.

**Motion presented.**

**Mr. Gilleshammer:** Madam Speaker, I am pleased to introduce for second reading Bill 26, The Liquor Control Amendment Act. The Liquor Control Act is one which must from time to time be examined in order to understand the changing needs of the customers of the MLCC, both licensees and the public. Prior to these amendments coming forth, there have been discussions with interested groups such as the Manitoba Hotel Association, the Restaurant Association and the Royal Canadian Legion to ensure that the changes genuinely reflect the needs and wishes of Manitobans.

\* (1430)

This bill contains three amendments. The first one proposes to allow the service of liquor in licensed establishments on Remembrance Day. Currently, service is allowed only in licensed dining rooms and on a permit basis in veterans' clubs. This bill will extend that service to beverage rooms, cocktail lounges, cabarets, sports facilities, private clubs, spectator activities and others. Manitoba's tourism and

hospitality industries continue to grow and this bill will allow Manitoba's licensees to provide services to their clients as is now the case in all other Canadian provinces.

This amendment has been discussed with the Northwestern Command of the Royal Canadian Legion who are in agreement. No new service will be permitted before 1 p.m. to prevent any conflict with memorial services taking place.

Secondly, the bill proposes to allow veterans' associations to have up to 50 percent of their permanent local membership as guests. Currently, veterans' associations are allowed to have up to 10 percent of permanent local membership as guests. This bill will enable veterans' associations to continue to serve their members and their communities, despite declining membership in many branches.

Finally, the bill proposes to allow hotel beer vendors to sell beer to licensees within their communities. Currently, licensees may purchase beer only from the Manitoba Liquor Control Commission distribution centre, Liquor Commission stores or from private beer distributors.

This bill gives licensees more flexibility in making those purchases, particularly in the case of rural licensees who are often at a great distance from the nearest current outlet. The hospitality industry will have an opportunity to improve the level of service they provide to their customers.

Madam Speaker, I look forward to the debate in this House on this bill. These amendments recognize our changing times and the changing needs of Manitobans, while continuing to provide liquor service in a socially responsible manner.

Madam Speaker, I do have spreadsheets for opposition party critics. Thank you very much.

**Ms. Diane McGifford (Osborne):** Madam Speaker, I move, seconded by the honourable member for Transcona (Mr. Reid), that debate be adjourned.

**Motion agreed to.**

## REPORT STAGE

### **Bill 35—The Elections Amendment, Local Authorities Election Amendment and Consequential Amendments Act**

**Hon. Jim Ernst (Government House Leader):** I move, seconded by the Minister of Environment (Mr. Cummings), by leave, that Bill 35, The Elections Amendment, Local Authorities Election Amendment and Consequential Amendments Act; Loi modifiant la Loi électorale, la Loi sur l'élection des autorités locales et apportant des modifications corrélatives, reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

## House Business

**Mr. Ernst:** I move, seconded by the Minister of Environment (Mr. Cummings), that Madam Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

**Motion agreed to,** and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty, with the honourable member for St. Norbert (Mr. Laurendeau) in the Chair.

## COMMITTEE OF SUPPLY

### Supply—Capital Supply

**Mr. Chairperson (Marcel Laurendeau):** We are considering the following motion:

THAT the Committee of Supply concur in all Supply resolutions relating to the Estimates of expenditures for the fiscal year ending the 31st day of March 1996, which have been adopted at this session by the three sections of the Committee of Supply sitting separately and by the full committee.

Shall the motion pass? Is the committee ready for the question?

**Ms. Rosann Wowchuk (Swan River):** Mr. Chair, I have questions that I would like to ask the minister responsible for disaster assistance.

I would like to begin by saying that people in rural Manitoba are worried when they elect a Conservative government. When they elected the Conservative government in 1988 we in the Swan River Valley were struck by a serious flooding situation.

In 1989 we had fire situations. They have elected another Conservative government now in 1995, and we have fires and floods all over again. I am not sure what the gods or who is trying to tell us something here, but certainly there is a serious situation.

On a more serious matter, I would like to ask the minister—

**An Honourable Member:** They do not vote right.

**Ms. Wowchuk:** The minister says they do not vote right. I think someone up above is telling all of us that those who voted did not vote right and we are being punished with fire and floods.

More seriously, to the minister responsible for disaster assistance, I have some questions with respect to the flooding that we had earlier this spring along the Assiniboine River. The minister has received calls and has heard from farm organizations with respect to the compensation that farmers are going to receive. The situation has resulted in crops being under water for long periods of time, farmland that is not being able to be cultivated. I want to ask the minister responsible whether any consideration has been given to the requests that have been made to his department that we look at ways of compensating farmers for the losses they are facing this year because of the flooding.

\* (1440)

**Hon. Brian Pallister (Minister of Government Services):** Mr. Chairman, insofar as the association or the accusation the member makes facetiously about this government being re-elected and coinciding with disasters, I do believe—and I invite her to take this up with the Minister of Environment (Mr. Cummings),

because certainly this falls under his jurisdiction, and I share her concerns.

Insofar as the situation with the Assiniboine and the flooding along the Assiniboine this spring that the member alludes to, certainly all of us in this House share great concern about the situation and are sympathetic to the situation as far as it affects—it affects all of us, but certainly most profoundly and directly it affects the people along the Assiniboine basin.

We have had meetings. In fact, the Ministers of Highways and Transportation (Mr. Findlay) and Rural Development (Mr. Derkach), myself and the Deputy Premier (Mr. Downey) travelled to a meeting with residents of that area in Brandon approximately three weeks ago at which time they had a number of questions, and I think a very good dialogue ensued.

Some of the questions related to compensation. Some of them related to longer-term concerns such as the management of the water in the basin itself and the outflow of abundant water from the Langenburg area of Saskatchewan due to very aggressive drainage projects that have been undertaken there.

Certainly, there are concerns that are shared by many of my colleagues and myself about the way in which Saskatchewan is proceeding on that front in terms of their drainage approaches, concerns that we have both along the lines of the environmental impacts and also in terms of the sustainable agricultural practices that may or may not be being practised in that jurisdiction.

Of course, our immediate concern is that there was an abundance of water this spring. I am told the data that we have show that there was almost twice as much as the highest recorded level in our history of water that came down that basin this spring. It is truly remarkable that there was not much more significant damage that occurred as a consequence of that than has and than did.

As far as the disaster aspect, there is a process, as the member knows, whereby municipalities and individuals utilize a claims form and bring the claims forward. Unfortunately, the member has had firsthand experience with this in her own constituency, as have

I—not to the same degree. In Portage la Prairie as well, we have had some flooding problems in years gone by.

The claims are forwarded to Disaster Assistance, and then the board arranges for assessment to be done. I know they are progressing. I do not have the exact numbers in front of me, but I know they are progressing very well in working with the municipalities on their claims. We are almost up to date entirely on that front.

As far as the individual claims are concerned, those are still coming in. In fact, in a meeting the other day with some of the Assiniboine Valley residents, several of them told me they have just been so busy with their seeding and subsequent spraying activities and so on, haying as well with some of them, that they have not had the opportunity yet to forward the forms to us. I encouraged them to do that at their earliest opportunity. Our department will peruse those claims, assess them and deal with them in the fairest possible way, hopefully to the ultimate satisfaction of those. We also recognize the emotion around losing property or having property damaged, and that is an emotional impact that is very hard to appease.

**Ms. Wowchuk:** Mr. Chair, the farm organizations have asked for special compensation for the affected farmers. They feel that the farmers should be compensated for losses of crop land and hay land, and that is not being covered right now. Is there any consideration being given to provide special compensation for farmers in the area who have suffered flooding this year? I believe there are areas that are not being covered by compensation right now. My question is, what special considerations are being given?

**Mr. Pallister:** Certainly the member raises a valid point. In the absence of limited resources such as every government is recognizing they do have in the absence of an awareness of those limited resources, it would be great to say yes and to offer compensation for virtually every form of loss, but it is not something that we have within our ability. We do not have it within our ability as a people to do that, to offer compensation for every single area of loss, in particular in areas where other insurance can be procured.

This is the difficulty here. In terms of certain agricultural operations they have availed themselves of crop insurance options for unseeded acreage that will allow them to recover a certain amount per acre in compensation through that mechanism. It is, like any insurance mechanism, one that involves sharing of risk among many, in anticipation of the consequences of an event such as this and therefore the protection of the individual by the many who pay the premiums for that benefit.

In this particular instance, with the unseeded acreage coverage that was available, it was not purchased. There may have been good reasons for that. I have spoken to many of the farmers in that area who have made various comments about it was not enough, it was not adequate coverage or it was not designed for their area, so it was not suitable. These are comments that have come to me, and I pass them on to the people responsible for crop insurance to make sure they hear these concerns. Hopefully they can endeavour to address them in some manner that alleviates those concerns or at least addresses them.

I think most commonly the comments that I am getting from affected residents and others is that we live in the valley and we are suffering this year, but we also know that we live in a valley. We knew that when we settled here and we knew that on occasion there would be problems with water by the nature of where we chose to live.

These people, I have been very impressed with how reasonable they are and how well prepared their presentations have been when I have met with them. Coming from a farm family, as I believe the member does as well, I just instinctively have tremendous sympathy for the circumstances that they face.

The member does need to understand though that there are many others. It is not just the Assiniboine Basin that is affected, though it has been most profoundly and obviously affected. There are many others across the province that have been affected by the inordinately large amount of water. I speak of, for example, the farmers in the area of Lake Manitoba, farmers in the area of the Assiniboine diversion in my own constituency who I have unfortunately had to

convey the message to that they did not purchase unseeded acreage coverage from crop insurance, and though they have been unable to seed on some of their land due to the high water, it is not something that we can offer them compensation for.

I guess I just want to clarify with the member—I think she is aware of this—there are many affected people all across the province, certainly even in the member for Turtle Mountain's (Mr. Tweed) constituency, in the Killarney area, numerous farmers who are unable because of the high water levels there to get their crops on, certainly prior to the crop insurance deadline, which means a great deal in terms of planning practices for many farmers. It is a province-wide concern. It is not just a localized concern, although I recognize that the greatest concentration of affected people is along the Assiniboine Basin.

**Ms. Wowchuk:** Mr. Chair, the minister says it is a province-wide issue. I recognize that, because there are people in my constituency in the Swan River area, Birch River area, Winnipegosis area, Ethelbert, all of those areas, who have suffered flood damage as well. I focused on the Assiniboine area because it is the most predominant one. The minister has recognized that there is a weakness in crop insurance that we also recognize has to be addressed. We talked about that in Estimates. I think Disaster Assistance is in place to help people when they face a disaster.

\* (1450)

I would hope the minister would recognize that these people who cannot put a crop in, who cannot get hay up for their cattle are suffering. They are suffering partly due to the fact that the government has not managed the water properly on the Assiniboine River. There are many people who are questioning how the water at the Shellmouth Dam was handled. Those are things that have to be addressed—and also the whole issue of how the land is being drained in Saskatchewan.

I would hope this government would finally address that issue and meet with the Saskatchewan government and look at how this can be managed properly. We have raised this issue many times. We have asked the government to do that. The member across the way

asks about who is in Saskatchewan. Of course, it is an NDP government in Saskatchewan, but this Minister of Environment (Mr. Cummings) and the members of this government have a responsibility to stand up for the people of Manitoba and ensure and negotiate with other provinces to ensure that Manitoba people do not suffer.

I would encourage the minister responsible for Disaster Assistance, who ends up paying the bills for this, that he would encourage his government to deal with this properly and resolve the problem but also look into the problems that have been caused by the way the Shellmouth Dam was handled this spring downstream, and address that issue as well.

The other question I have for the minister aside from that is that there were people who were evacuated out of the Shellmouth area when the flooding was going on, and I would like to ask the minister responsible, how many people were evacuated and where those people were housed when they were evacuated?

**Mr. Pallister:** As far as the specifics of the latter part of the question, where the people were housed and so on, I will endeavour to get the information the member asked for in detail, because I do not have it here with me. As to that particular aspect of her comments, I cannot respond at this time, but will get the information for her.

As to the concerns she expresses about this government standing up for the interests of the residents of the water basin, certainly that is something we have done proactively. I know that prior to my appointment, communication was made between the other ministers of this government with responsibilities in the area of Natural Resources and Environment to Saskatchewan and to express our concerns around this drainage project that is being undertaken—it is a massive project, I am told—and to express to them our desire to be assured that the best interests of Manitobans are being looked at, as well as the best interests of Saskatchewan residents. Certainly, it is an example where co-operative approach would be most beneficial.

As far as management of the water basin itself, I think probably it would be best, in terms of a more

detailed answer, to confer with the Minister of Natural Resources (Mr. Driedger). I can only say that there has been action taken to get the input, and valuable input it is, of residents of the basin through the establishment of the Assiniboine River Advisory Board, which has on it stakeholder representation from along the basin. Certainly, it is, I think, a purposeful endeavour to try to get the input from these people as to how they see the management of the water body being best done to satisfy all, if that is possible.

I think it was the current Minister of Agriculture (Mr. Enns) who told me, in terms of the debate around the Assiniboine River diversion that was proposed a couple of years ago, the good Lord did not put water on this earth for us to use, he put it here for us to fight over. I think all too often that is what happens. It arouses emotional responses for many, and so having these people together in an atmosphere of sharing ideas and sharing knowledge is a productive thing, and that is what this government has undertaken to do. I do believe that report is forthcoming in the not-too-distant future, and I look forward to seeing it, as I know the member does.

**Ms. Jean Friesen (Wolseley):** I have some questions for the Minister of Government Services (Mr. Pallister), and they concern three portraits, large portraits that were done by V.A. Long I believe at the same time as the portraits that we see in the committee rooms in this Legislature.

As I understand it, these three portraits, one of which is of the Honourable Colin Inkster, the other is of the Honourable James McKay, a very important Metis leader in Manitoba, these three portraits are of former Speakers of the Executive Council. They are currently in the archives, and I am wondering why they have never been placed in the Legislature itself and whether the minister sees any obstacle to hanging these portraits in a particular area, public area of the Legislative buildings, rather than having them away from public view in the archives. Is there any obstacle that the minister sees to hanging those portraits of Speakers of the Executive Council?

**Mr. Pallister:** Having just been apprised of this situation, I do apologize to the member, but I am at a

loss to give her a response with any clarity, but I will undertake to research her comments.

**Ms. Friesen:** I am glad to see that the minister will research it, and perhaps he might refer to letters that I have written to the Speaker on this. I was, by mistake, writing to the wrong person I think. I just found that out, and I had the opportunity to raise it with the minister today. I understand that the location of portraits is the responsibility of this particular Ministry of Government Services.

I do not know what the condition of the portraits is, whether it would require any conservation before they could be hanged, or as the Minister of Urban Affairs (Mr. Reimer) suggested to me, there should be an alternative term for that. What was the one you—displayed. Displayed was the one he preferred. It is a technical term, I guess, used in galleries, and I had never thought of it in other ways. Would the minister tell me what steps he plans to undertake and what kind of time frame he could get back to me with the initial response to those kinds of questions.

**Mr. Pallister:** Well, I understand the pat answer is, in due course, but I will endeavour to do it even earlier than in due course for the member opposite.

**Ms. Friesen:** I have a couple of other questions which deal with an issue that the minister and I have spoken on before, and that deals with the School for the Deaf.

I had asked in Question Period, I believe now at least a week and a half ago, for the minister to come back with information on what alternative sites had been examined for the Pan Am Games Committee, and I wonder if the minister has that information now.

**Mr. Pallister:** No, Mr. Chairperson, I do not, but I am endeavouring to get the information for the member as I promised to do.

**Ms. Friesen:** In Estimates, the minister spoke of the long-range plans for the School for the Deaf, and that is for purchase in part or in whole by interested parties. I wonder if the minister could give us, again, a time frame or what would be the normal time frame for the posting of tenders for that prospective sale.

**Mr. Pallister:** No, I cannot, but again I will undertake to get more detail for the member on this line of questioning that she is undertaking herself.

**Ms. Friesen:** I would also like to know about the implementation committee for the new Alexander Ross School for the deaf, if the minister could tell me how his department is involved in the implementation committee of the renovations to the Alexander Ross School. I understand that those plans are already underway, and I am looking for information as to how Government Services is going to be working with Education on this.

**Mr. Pallister:** I am told that the process involves the outlining of specifications, and again I think the Minister of Education (Mrs. McIntosh) would probably be better qualified, certainly is better qualified than I, to give full answer to the member's question.

\* (1500)

But I understand that the specifications around the requirements for the facility itself, so that it can do the best job possible, are developed, shared with our department; and then, from that point on, discussion takes place, in this case, with the St. James-Assiniboia School Division.

As far as the current status of arrangements, I am told that arrangements are being made in terms of finalizing the details as to the procurement of the property itself. There is negotiation taking place with my department and with St. James-Assiniboia School Division. That is where things stand at this point for the member.

**Ms. Friesen:** Further to the issue of the Alexander Ross School, I understand that there perhaps are two classes of school buildings in Manitoba, some which, in effect, are owned by the province, perhaps the more recent ones, and others which are owned by the school division, depending on the date of construction. I wonder if the minister could tell us where the Alexander Ross School fits into those categories.

**Mr. Pallister:** I am not sure of the accuracy of the assumption in terms of the question. I am not sure if it is quite that simple, but in spite of that I think it is

probably worthwhile to revisit why this change is being looked at. As I shared with the member in Estimates, I am told that in terms of the cost-effectiveness, and leaving aside the appropriateness of the surroundings and so on to delivery of the services to the deaf students, leaving that aside, I am told that the costs of maintaining the building itself and so on with its current location are about double or a little in excess of double what is anticipated as being the cost that would be incurred for continuing that same service in the Alexander Ross School.

Now, revisiting the effectiveness of the location, certainly the member knows, because I understand she has been in contact with some of the parents of the students, that there are some problems with the existing facility as well in terms of its ability to provide adequately for all the needs of the students involved, and so I think it is worth repeating or it is worth revisiting the rationale for looking at a change in location.

**Ms. Diane McGifford (Osborne):** I have a question for the Minister of Environment (Mr. Cummings).

Mr. Minister, I represent the Osborne constituency, and the south and east portions of Osborne are bound by the Red River. I would like to ask you a question particularly about the area which we call Churchill Drive Park. It covers about three kilometres and borders on the Red River. What people have been experiencing or what we have seen happen over the years is that the erosion problems are eating away more and more of the park itself. I am told that currently we are losing more of the stately elms in the area to erosion than we are to Dutch elm disease.

I wonder if your ministry has ever considered remedial action or actions that could stem the erosion of the Red River in this area.

**Hon. Glen Cummings (Minister of Environment):** I am somewhat familiar with the questions that have been raised around Churchill Drive, not so much from the point of view of environmental concerns that were raised, but more about the structural, the riverbank stability. That aspect is really what the member is asking about.

If the question is, does the Department of Environment have a program or an initiative that might be put to good use in stabilizing that area, I think the answer is no, but we have, from time to time, funded small projects on the Seine River, possibly even on the Assiniboine. I cannot remember whether it has been specific small projects that have been undertaken through the Sustainable Development Fund, but probably not the kind of dollars available even if the whole fund were directed towards that cause to deal with the kind of issue the member is talking about.

I had occasion to be on the riverwalk on the Assiniboine last night and I can see that there has been considerable erosion, or appears to be new erosion at least, on the south bank of the Assiniboine not far from where we are at this moment. So there is likely an ongoing riverbank stability issue that more than likely the city would be expected to deal with. I do not think I can provide a whole lot of help in that particular direction except from the broader question about whether or not resources should be directed that way.

**Ms. McGifford:** To return to the Red River then for a few moments, there is no solution, or the river is going to continue to erode the banks? Is there any program that could be worked out with the city?

**Mr. Cummings:** I did not mean to imply that there was no solution. I did mean to say, however, that I do not have the answer within the Department of Environment as to how that might be solved. I am not current on the amount of damage that may be potential along the river. I know that historically the city, the province, the federal authorities have co-operated from time to time on riverbank stabilization and riverbank enhancement.

I appreciate the member is asking this from the point of view of a constituency issue. It is no doubt an issue that will have to be dealt with in one form or another because if in fact we have a high degree of riverbank instability, it probably will cause damage in the long run that will have to be dealt with. The government has dealt from time to time with small areas of where erosion has occurred, where there is instability relating to public property, roadways, those sorts of things, but I have to say that I am not conversant enough with the

Churchill Drive issue to suggest a solution. I would say, however, that it is more of a—it would begin with the city. It certainly relates to a number of departments within government where there might be some work that could be examined, but I really cannot give you a definitive answer beyond that.

**Ms. McGifford:** Is the minister's best advice to me then at this time that he believes the kind of work I am asking for would be best initiated by the city?

**Mr. Cummings:** I am not trying to duck the issue by suggesting that the city has some responsibility, but I do believe that they are one of the first areas of responsibility with maintenance of normal riverbank stability within their jurisdiction. I am indicating in the broader sense that we might look to a solution as to what has happened historically in dealing with these problems. They are very expensive, as the member probably knows better than I. I am not about to stand here and commit what might be the type of resources that could be needed in this situation except to encourage her, and I will give her my commitment that I will review anything I have in that area and provide her with some written comment, as a matter of fact.

**Ms. McGifford:** I would appreciate the written comment. Actually, I have spoken to a city councillor about the matter, and I am told that there was no money in the city budget for this kind of problem. It would appear, then, that there is not a solution in sight or a way of working together. I wonder if the minister could comment.

**Mr. Cummings:** Basically, I am going to have to acknowledge that, if the problem is of a magnitude that the member is indicating where there is becoming, No. 1, possibly a danger, or No. 2, encroaching on property, there is always the issue of what is public and what is private property and who is going to fit the costs into their budget. I am suggesting that this is a problem that, if anything is going to be done, it will be done as a result of a co-operative effort very likely in the long run. However, I have to indicate that, generally speaking, there has to be a demonstration by the locally affected people as to what some of the problems are in order to have either their councillor or, as you are in this case, their MLA raise the issue.

Because I am not conversant enough with what might be at risk here, I am a little reluctant to put on the record what would be a quick and easy fix. If you are talking major riverbank stabilization, you are talking millions of dollars and the question will immediately be raised, are we talking riverbank enhancement for the public or for the protection of private land and property? Then the debate proceeds from there.

I am more than willing to co-operate with the member in trying to understand the problem better. If she has had some discussion with the city, then I would be interested to know where the city sees this issue in their list of priorities. I would have to say probably there is no money set aside in our budget at this point either. I would like to know the depth of the problem.

**Ms. McGifford:** I agree with the minister; I am sure there is no quick and easy solution. I thank him for his comments.

\* (1510)

**Mr. Tim Sale (Crescentwood):** My questions are for the Minister of Environment. I want to preface the question with just the dilemma that we find ourselves in and in which I think Winnipeggers find themselves, Mr. Minister.

Essentially, the minister has committed to the House on a number of occasions in a very forthright manner that all of the environmental regulations and requirements in regard to the arena project will be complied with, and I have appreciated his forthright answers when he has been asked that question.

The difficulty in which we find ourselves is that on Monday of this week Spirit of Manitoba and their builder consortium, the Dominion Hunt Company, presented a briefing to City Council which I believe was also presented to members of the government. I do not know how many members. I do not know whether it was the whole caucus or whether it was a select group, but in the document that was given to City Council there is a schedule of sign-offs. Among those sign-offs are things like the following: June 30, interim letter of agreement, Spirit of Manitoba and Dominion Hunt—that is a letter of agreement in terms of the

construction—sign-off on final guaranteed maximum price, June 30, who is involved, Spirit of Manitoba.

The government has said to us, again, very clearly, that there will be no proceeding on this project without firm commitments and understandings about costs, design, environmental applications, environmental assessment processes and so forth. Yet this schedule, which I believe the government has, indicates that tomorrow they are going to sign off the final guaranteed maximum price commitment, which presumably is based upon agreement to the design and the process of constructing the arena.

I would like to ask first, is it the minister's understanding that indeed this is the schedule and that tomorrow there will be a sign-off on the final guaranteed maximum price?

**Mr. Cummings:** The member is setting himself up to ask the questions about where we are in the environmental process. I am not in a position to confirm or deny the schedule that he has in his hand, but I understand the principles that he is putting forward and the concepts behind that. I am more than willing to discuss questions he might want to raise about what this means, if anything, in terms of the environmental process.

Obviously, because of the way our Environment Act operates, and the federal process for that matter, let me reassure him that he and I may differ on how that ultimately rolls out; I suspect we might. The fact is that any of these types of processes are always subject to environmental regulation and if something comes up that has been unanticipated, for example, The Environment Act is pretty clear and pretty broad in having precedents in those areas.

So what I have said—perhaps I can anticipate his question a little bit—what I have said in the House and what is happening is that we are working with—we being the officials in the department—the proponents, working with the federal authorities to make sure that any appropriate information is brought forward so that, first of all, a screening decision can be made by the federal authorities and so that our own people can make a recommendation to us on what, if anything, needs to

be done regarding any activity that would have an environmental impact on the site.

**Mr. Sale:** I find the answer quite unsatisfactory because it gets us into the Catch 22, and the Catch 22, Mr. Chairperson, is that we are going to proceed with a project prior to there being in place the things which other members of the government have said would be in place, that is, some agreement between the new owners of the arena, who I believe to be the city and the province under a corporate structure not yet even incorporated, so far as I am aware.

I do not know how it is possible to sign off a final guaranteed maximum price when the owner of the building does not legally exist, so far as I understand. There is, as far as we can determine—and I would be very glad to know if the minister could tell me otherwise. So far as I can determine, there is no legal entity to own this building, so I do not know how there can be sign-offs in regard to maximum guaranteed prices. I do not understand how there can be an application for an environmental screening when the entity that is going to own the building does not exist. Who is owning the building and how is that application process proceeding?

**Mr. Cummings:** Well, I think the member is—I understand his approach but I do not know a better way to analyze and to say to some extent that he is mixing apples and oranges in as much as he is asking the question about the ownership and the guarantees of the minister who is responsible for the legal requirements under The Environment Act and whether or not there is an impact on me and how The Environment Act is being imposed on the site.

This is in many ways not unlike other events that unfold where environmental licensing or regulation is impacted. Nothing is final until an application and a package is in front of the regulator, and it is very much the direction that I am encouraging the department to always operate in, and that is that the department is there not to be an obstacle but to provide information and direction, the key being direction, to proponents who are faced with the requirements under The Environment Act or under federal responsibilities as well, because we always are vulnerable.

If you want to debate the larger issue, I think the member probably knows it is there as well as I do, and that is that we are always vulnerable when there is a provincial process and a federal process. You can be faced, if you are not careful, with a provincial approval and nonapproval at the federal level or, I suppose, vice versa. Because I am at the lower end of the authority in terms of hierarchy, I always see it from that end.

There is nothing unusual—even if the member were implying it, I am sure he would deny it—there is nothing clandestine about what is happening here. The city has ability to—I believe the question has been raised publicly about is there contamination on site. That would be one of the serious concerns that could arise out of that. The proponents have been looking at that, the Department of Environment people have been looking at that, and unless something has changed in the last days or hours, there is nothing that has been brought to my attention that is a concern in that respect.

\* (1520)

The other aspect is, I believe the member's Leader or one of his caucus brought up a letter that had been copied to the provincial Department of Environment and others regarding the federal screening process and where we were at with that and whether or not we had responded. The federal authorities are doing pretty much the same thing. They are acquiring the information and the proponents are putting the information forward. The federal authorities are pretty much in the same position as we are. They are not going to provide a final opinion until they have seen all of the information that they request regarding the project and the site.

So I guess if the member is concerned that there is something sitting there sort of hanging over this project like a little cloud, I would have to suggest that part of that will be addressed by the competence of the people that they have put in place to help them bring the project along.

Aside from the financials, when I talk about apples and oranges, I mean the financials can be affected if something is wrong environmentally. But if their people are competent in what they are doing and have

assessed what they might be faced with and so on, then hopefully they have got good advice in terms of how that will affect or not affect the moving forward of the project, but timing wise, there have to be decisions made.

**Mr. Sale:** I understand what the minister is saying and I accept that the reality in some projects is that it is necessary to proceed on what might be called parallel tracks, and this is obviously one of those projects because it is under enormous time pressures.

I would say again, also for the record, that I am not implying clandestine activities. I certainly would imply a lot of confusion because I cannot remember anything that has had so many different possible approaches only to be backed off and yet another approach tried. That certainly has contributed to the confusion. The question of who owns the project, for example, was only finally sorted out in June. It should have been sorted out a long time ago because essentially the proponents and current owner finally reached a different agreement than anyone expected. I understand that problem.

The difficulty I have is that both the city and the province have given fairly clear indications that they are going to release at least \$1 million each during the month of July to forward this project in terms of its design, yet we do not know whether the private sector is going to come through with its fundraising, its tax rulings or its NHL approval.

At the same time, the minister, I think, is indicating that the required package for federal screening has not yet been assembled, is in the process of being assembled I think is what he is indicating. So far it has not been assembled and forwarded for screening. I believe that is what you have implied. However, I stand to be corrected on that. Maybe I should just ask for clarification if that is the case.

**Mr. Cummings:** The final package, the member is correct. That does not mean, however, that the vast majority of the questions and answers have not already been conveyed. The final conveyance of the formal package—and I appreciate that this gets me into some controversy and processes into some controversy when

it appears at the end of the day that all of a sudden there is some rapidity to decision making.

It has always been my philosophy, as I said earlier about the approach to managing the concerns as they are brought forward, that the more forthright and the more aggressive the proponents are about getting the information as it becomes available into the hands of the regulator that the process moves a little bit more smoothly.

I did not mean to imply that everything was in somebody's hands yet. The fact is the vast majority of the information has probably gone forward to the federal authorities, from what I know of it, and is in the hands of my staff as well, but not in a formal signed form. That raises the question, is there something special about the way this is being treated? I suppose that is the next part of it.

I can give you numerous examples of where we have treated other projects in the same way. Some of them work well. Some of them hit brick walls the last day, too.

**Mr. Sale:** Mr. Chairperson, I am not alleging special treatment. That is not the point of these questions. The point is that we will spend significant amounts of public sector money before we know whether the project is a go or not.

So far as I am aware, to date not one red nickel of private sector money has been spent. They have spent \$4.5 million of city and provincial money which was advanced to them for the purposes of feasibility. My information is they have actually spent an additional million. The question is whether it is \$5.5 million or \$4.5 million. They have at least spent \$4.5 million. They are going to spend another couple during July and early August, and not one nickel of private money is going to be spent until after the closing, if indeed closing takes place. That, I think, is improper from the point of view of pursuing something which is theoretically a joint venture. I will leave that line for now.

I want to go on to a letter that the minister, I think, is aware of. I am going to table this letter, if I may do so,

from the law firm of Kravetsky, Hoepfner and Brennan, dated June 26.

The law firm asks the minister, on behalf of Thin Ice and the Point Douglas Residents Committee, whether the minister will, under Manitoba regulation Section 5, 164/88, finally give his opinion in regard to the questions that I know the minister is familiar with, the question in terms of the impact and the question ultimately of whether it will be classed as a 1, 2 or 3 development or, indeed, whether it will be classed at all for the purposes of provincial review. I have that question—whether he has responded to this, whether he intends to respond. I would appreciate knowing the time frame, if he thinks, yes, he is going to respond but he does not know quite yet when, maybe it is going to be a week, maybe it is going to be tomorrow—if he has a sense of the time frame.

Thirdly, just so he can do all of these at once—I know the member has a meeting that he wants to go to—has there been a decision yet as to whether the federal screening will take precedence and be the only screening or whether there will be a joint process or whether provincial process will take precedence over the federal process? Those are three areas which I am sure he can answer without a great deal of detail.

**Mr. Cummings:** The letter of request that the member refers to from the Thin Ice representatives and others, I will respond to. In fact, it outlines a number of the questions that we need to deal with. Essentially, as we make decisions on how this will be handled, we will be also generating answers to that letter and will provide appropriate answers.

Timing? The member knows as well as I do that the question becomes very much of whether or not there are environmental impacts and whether or not they are going to be dealt with. We both know what the site looks like. It could be put to better use than it is now, obviously.

If there is going to be an arena built in the city, that is a pretty good site, probably, depending on your view of whether you want it on the fringe or whether you want it downtown. That is not an argument I am prepared to get into.

In a general sense, when we look at the question of whether or not this will be classified or whether it will be screened in or out of the federal process, basically we are doing this, well, not officially as a joint process, but we are doing this hand in hand with the federal authorities.

\* (1530)

The member knows probably that in itself is a little bit tricky because the federal authorities are independent from ours, obviously, but the greater exchange of information there is both ways, the better job we will all make of answering the appropriate questions. The bottom line is whether or not a decision will be made: (a) to screen it into the federal process or out; and (b) whether or not the province sees impacts that are environmental impacts as a result of either conditions on the site or potential new situations on the site.

The reason I referenced the site and all the things associated with it, we are also very much into a planning decision. That is one of the reasons we talk about a sustainable development act in this province; it is because there is not necessarily a good mesh between environmental planning and economic decisions.

Whenever you have programs of this magnitude, you are faced with some troubling decisions about process. That is why we are doing the BFI landfill in the manner that we are, to try and have an opportunity for airing some of the questions that really are not environmental or have very little to do with the environment in some respects about policy and planning in the region.

I am not trying to dodge the answer. The answer will become clear pretty soon. I do not want to pre-announce anything that I do not yet have all the facts on. I am not going to prejudge where we will go with this. To be perfectly clear—as one of my colleagues is prone to say—how many emissions to air, water and soil is this arena going to create; what will the impacts be in terms of riverbank? It is not going to be right at the riverbank.

Those are questions that would mitigate against it being an environmental issue for the province under the

provincial act. There are lots of other questions that I know the member is being asked about and others will ask about. Some of those will be planning issues. Some of them might be environmental. We have to make sure we have them all on the plate before we make a decision.

**Mr. Sale:** I thank the minister for his response.

I just would conclude by saying I think the minister is aware that under the federal act and, I believe, under his act as well, the impacts of a project of this nature are not simply the traditional impacts on the natural environment in terms of emissions and riverbank stability and those sorts of questions.

The minister references the BFI hearings. That is one good example of the concerns that many of us have about this project. The project guarantees losses in excess of \$40 million in the first two years of its operation. The project has very significant public sector exposures, which the chief commissioner of the city has put on the record very clearly in a long briefing note to City Council.

We do not know and the minister I think, to be fair to him, does not know whether the chief tenant of this new arena has any longevity at all. I would put on the record, in conclusion, that this side of the House has never been opposed to small or medium-size or for that matter large business that provides jobs, tax revenues, employment, quality of life to this city and to this province. We are opposed to public investment in enterprises that we know beforehand are going to lose large amounts of money and which we have no knowledge of whether they will, in the long run, continue to lose large amounts of money.

We have made bad decisions in that regard. So has the government of the member opposite made bad decisions. I am not suggesting there have not been bad decisions. That is not a reason to make another bad decision in this case. I hope he will ensure that the provisions of the act for socioeconomic impacts are complied with, that the business case, which presumably is part of the federal screening requirement—because the federal requirement is very clear that where federal dollars are involved there must be a

business case. I hope he will ensure that his officials and the officials of the Department of Finance scrutinize that business case and assure themselves that this is an investment which is at least reasonable on the face of it, even if they cannot say that it is going to be successful.

I think that is part of the environmental impact question the federal government has to study by law when it is going to put \$20 million into any project. It does not matter what it is. I hope his department will take that same question with the same breadth they are applying to the BFI issue and raise those concerns for themselves and I hope for the public.

My last question is, when does the minister estimate—and I am not asking for a hard date—the screening package might become public? As you know, under the act it has to be tabled, it has to be public and not just a private package.

**Mr. Cummings:** Because I know that most of the work is ongoing and fairly close to being complete, I would anticipate to see what the member would refer to as a final package quite soon. We will endeavour to make information public as quickly as possible.

I am a politician as well as a member of government and I cannot let this discussion, which I appreciate, as a matter of fact, go by without pointing out that when you talk about the economics of this, I mean there is an awful lot of discussion in the media, and speculation and so on, that really creates an unfair situation around this issue. I do not care whether you like hockey or whether you do not, this proposal has not been treated fairly by the rampant speculation that has gone on, sometimes which we contribute to in this House.

You know when you look at—and I am not pointing fingers yet—the issue of the federal dollars and the financial aspects of them becoming involved, the member might also want to consider what is the opportunity for the federal authorities to recoup their dollars. They will probably get every last one of them back. I mean it ain't going to be hard, pardon my language, for them to justify doing something. That is really why we were disappointed that they were not more generous in their willingness to participate.

I understand that governments cannot give away every revenue back to whomever is paying revenue in the interest of creating something from that dollar. That is always a judgment that has to be made, but when we look at the social-economic impacts of this proposal, we can all wax very eloquent and very philosophical and talk about—look, I am a rural person. I am not a downtown Winnipegger, except by immigration four days a week or five. I live right down close to the downtown area of the city, and I have learned to appreciate the downtown area and the vibrancy and the potential that this part of Winnipeg has.

**An Honourable Member:** A core area resident.

**Mr. Cummings:** My colleague says I am a core area resident. I guess that is true part of the time.

The fact is we are selling ourselves short too often in this province and in this city. We should not be afraid to look at the potential that this city has keeping itself prominent in the face of the continent, particularly in an area where we are well-positioned in all manner of entertainment, recreation and opportunity within this city and other cities across the province and towns.

Manitoba is one of the best kept secrets in Canada in many respects, and I know the member is not ridiculing the process or he has not even really given me a hard shot on this. I appreciate his line of questioning, but I do want to put on the record that as a rural member, I have learned to have much more respect than I had when I was elected to this Chamber nine years ago—it does not seem that long—for the potential and the really vibrant society that we can develop in this province and in this city, and we should not sell ourselves short on what the possibilities are of a project like this.

\* (1540)

I can tell you that walking through the fair in McCreary last weekend I had two questions raised more than once, and the one issue that was raised several times was the Winnipeg Jets and the arena project, and people said to me, what is happening? I said, pretty much as I am saying now in a much shorter version, well, things are moving along, I am not sure of

all of the details that are being talked about, I am not that close to the negotiations, but you know that the majority of the people in the presence of their neighbours said, we sent in money; we want the Jets kept in Manitoba, and I thought, standing in the middle of the fairgrounds in McCreary and people are saying that they have some pride in their province and a pride in an asset that they have had here, that that was an interesting comment.

I do not know how much they sent. I am sure it was not five bucks. I know it was a lot more than that, and they were prepared to support this city, and they were proud of the asset that was here. We have to proceed carefully with this project, but there is a lot here that we are not taking sufficient pride in.

**Mr. Sale:** I appreciate the member's discovery of the city as those of us who have lived in cities have discovered other parts of the province, and I will not go on at length on that. I agree with the member. It is a vibrant downtown and it is more so because of The Forks development over the last few years.

The point is simply that the city is also well known around the world for the Royal Winnipeg Ballet. I do not think that we would want to invest \$20 million a year in losses to keep the ballet going. Those of us who have questioned this project for two years now have not ever said that we did not want a decent entertainment centre and a professional hockey team in this city. That has not ever been said.

What has been said is simply that we want the information on which we can base a reasonable case to understand that this will not so distort the spending priorities of the city and others because of the likelihood of ongoing losses, that we want that information in clear and public terms, and every single estimate that we have made over the two years of this process has proven to be far closer to reality than any of the fair words that have come from the proponents of the process.

Your government suggested \$10 million was enough to make it fly. We knew for a good year before that, that this was simply not possible. The simple mathematics of it made it clear that this was not possible.

We have asked questions about salary levels, about potential loss levels. None of us wish to see this city impoverished by the loss of a resource, but we do not either wish to see the city saddled with ongoing losses of the scale that we are currently experiencing. We do not wish to see prices for tickets at a level that most citizens cannot afford. It is not a question of opposing hockey or opposing business or opposing employment. It is a question of asking for transparency in the process, so that we might have a decent sense of the viability. That is what has been lacking throughout this entire process, and every time information finally surfaces, it is much closer to the data that we have been putting forward and increasingly far away from the data on which the original proposals have been made. That has been the problem, a lack of transparency and a lack of solid business case that would stand more than five minutes scrutiny.

I hope when the minister sees the business case, it does in fact prove that this is viable. I do not think there are any of us here who want it not to be viable, but, to date, there has been no evidence that it is. We are looking forward to the alternative being proven, but we are not looking forward to going into the project spending a lot of money, finding ourselves with a hole in the ground and then saying, oh, my goodness, now it is underway, we are going to have to complete it, we just do not have any alternative, son of a gun, we were sandbagged.

That is what we feel has been coming. All the deadlines, all the, gee, we have to do it now because there is not time to do it right, have continuously put the public sector more and more at risk and the private sector less and less so. That is our problem with the process.

**Ms. Jean Friesen (Wolseley):** My questions are also for the Minister of Environment. They come on behalf of constituents, and, in particular, a group of constituents who, I think, are spearheaded by a person the minister is aware of, Mr. Rod Graham, who is very concerned about junk mail and about the delivery of flyers by Canada Post.

The minister may remember that I raised this issue with him the last time in concurrence. What I am

asking for really is an update, a progress report, on what the minister has been able to achieve in the past several months on this particular issue.

The minister, in one of his recent responses, linked the argument of environmental planning and economic decisions, and I think this is what Mr. Graham is trying to get at. He is a tireless individual who goes out night after night with petitions canvassing in many parts of the city. I have been able to table many of those petitions in this Legislature.

I am sure the minister has read them and is aware of the arguments that he is making about the cost in energy, the cost to the environment, the cost of labour involved in producing flyers and nonrecyclable material that Canada Post then is obliged to deliver, of which he argues 98 percent is landfill bound adding further to the economic and environmental cost to the province and to the country.

I wanted to ask the minister, today, if he had any progress in his correspondence with Canada Post, whether he had any response from them, whether there had been any national meetings or any national protocols that might be beginning to address this issue.

**Mr. Cummings:** Mr. Chairman, tongue in cheek, I might respond that I have not made any progress, but I do not entirely believe that is a correct characterization. While I do not have deliverables to talk to the member about, I have increasing confidence that this issue will be dealt with at a higher level and ultimately brought to some conclusion, much more confidence than I had a year ago, frankly.

We have had discussions at the national level with the minister of environment, and I have to say that I do not concur with her view of how to deal with junk mail, which would be to mandate it all to be made out of recyclable products. I say that in this sense, that almost all wood fibres are now recyclable as we have increasing capacity of de-inking equipment. It is no longer as much of a debating point about whether or not you can in fact recycle this material.

As the markets unfold around the new Manitoba multimaterial stewardship program, we will begin to

collect larger and larger volumes of this. That does not answer Mr. Graham, I believe, it does not answer his concern about just getting it out of the mailbox. On the other hand, Minister Copps has said that she is more than willing to try and get Canada Post to do more about the ability of people to refuse flyers, nondelivery of flyers and try and reduce it by that method.

I have had ongoing discussions with western Canadian representatives of Canada Post at a fairly high level. First I have to point out that they have always been amicable meetings and they understand our problem, but they have not, until recently, been able to respond in a way that I consider meaningful or useful. My most recent meeting was—I think we left on a more productive note, and I am waiting for a response.

The concern that Canada Post is expressing—and this breaks down to whether or not the flyers will be able to in some way contribute financially to our multimaterial recycling program which I think is most important. I said it does not answer directly Mr. Graham's problem, but at least if we had the recycling capability and those materials are contributing to it, at least the environmental impacts are going to be reduced because the material will be going back into appropriate usage rather than being landfilled.

\* (1550)

Canada Post has always said that there is no way that—first of all, they would not acknowledge to a tax. I am not asking them to acknowledge a tax. I am not asking them to acknowledge a stewardship responsibility. Their argument has always been that they never actually take title to the material. They are providing a service and they do not have title to the material. I think I am using the wrong phraseology, but the member understands what I am getting at.

In our most recent discussion I challenged Canada Post to provide me with their suggestion how administratively they could simply make sure that the—I do not care if we get every last piece, but we need the majority of the pieces to provide information so that we could require some contribution to the fund. It does not have to be collected by Canada Post and remitted to us.

I have made some suggestions. One of the suggestions I have made is perhaps they should require that anyone that they are going to carry for is able to demonstrate that they are contributing to the Manitoba Product Stewardship program if they are asking to be delivered in this province.

Now that would only be for those products that are being delivered here in bulk. You have another problem if it is going to come through Ontario. The next question will be, does that mean they will all go to Ontario to mail to avoid paying a fee? The other way of approaching that, of course, is to have a recognizable symbol that can be incorporated into that type of material that they are in fact contributing and use some public persuasion. My answer is, have I got it deliverable? No. Am I making progress? I believe so.

**Ms. Friesen:** Could the minister elaborate a little more on the multimaterial recycling project and the opportunities it may or may not offer for de-inking in Manitoba? What will be the process if the minister argues that this is becoming more of a—I cannot remember the words he used, but more of a theoretical problem because essentially large amounts of material are made of wood pulp and can be recycled but it required de-inking, so what will be the process for that in a Manitoba context?

**Mr. Cummings:** Unless something has eluded me, I believe there will be de-inking capacity at Pine Falls, and I would acknowledge that we were shipping newsprint and other recyclable fibres out of this province, have been and are increasingly shipping them out, but that will change as Pine Falls modernizes and acquires de-inking capacity.

They will need the paper. Manitobans do not produce enough waste paper to supply the Pine Falls plant if it were to get all that it needs. Their business plan, and I am looking around for my colleagues to help me out on this, but as I recall their business plan, they believe that they will be backhauling recyclable paper out of the States where they are hauling some of the other products.

(Mr. Mike Radcliffe, Acting Chairperson, in the Chair)

To go right back to the very issue is that we are going to be funding the Manitoba Product Stewardship program by a portion of the PST that is established against newsprint, the subscription newsprint. That is a number that we can identify, and that money is already within government and can be redirected to this program, but what is really making this program work, and I think will continue to push it along, is the very high value of recyclables right now.

Newsprint is selling for, I am told, \$140 a tonne, plus if you take the levy that the Manitoba Product Stewardship program will be able to top that up with, you can see very quickly that it could become a profitable venture for those who are able to collect large volumes of it.

The fact is that the \$5 million that we get from the beverage container industry, plus modest other amounts, will probably make this program very feasible given the direction the markets are going. Now we have the ability to get revenues from other sources. We are still getting good feedback from the packaging industry, and we are hopeful that as the program matures and the capability to collect increases, box board and those other materials will be obviously included, and we will be looking to get some contribution.

We are not looking for a penny a box for corn flakes or things of that nature. What we would be more happy with is some acknowledgement by the industry that is wholesaling that product into the province, that they would provide assistance with some bulk figure that is reflective of the tonnage that they are adding. Frankly, it is a very small amount in the overall scheme of things, as is the two cents.

I keep going back to the two cents because, in fact, two cents is cheaper in Manitoba to fund a recycling program than any other program in Canada save Newfoundland, I think, where they charge one cent, but Newfoundland has no program. They only have a litter program.

A return-to-depot program on average costs three and a half to four cents per container just to fund the running of the program. That has got nothing to do

with the deposit that is returned to the consumer, so that four and a half cents that is funded out of the unreturned recyclables is really where it comes from.

So we believe we are breaking new ground. There is always a risk when you do that, but the potential right now as soon as the city comes on stream, and requests for proposals have been received already as I understand it, is that we could have a much greater volume which will enhance our prices and will, in fact, help Abitibi.

**Ms. Friesen:** I thank the minister for that, and I would like to follow up on the Pine Falls business plan, and that would be with the minister of—I am looking for the name of the minister with whom I should follow up the Pine Falls business plan, because, obviously, the argument for a long time has been about the Pine Falls plant, that there is a likelihood for a long time of excess capacity, and how do you balance that off in an environmental sense between the road hauling or rail hauling or whatever is going to be possible for the import of material? The minister said he did not have the business plan, and I assume it is not his department. So I am looking for whom I should follow up with on that.

**Mr. Cummings:** I can address most of that. If my memory is correct, the recycling capacity is included in their upgrade. The member raises the additional question of: Is there an overcapacity? I can certainly address that. The point is that there is not an overcapacity, but there has to be a managed capacity in terms of where they are harvesting from and what the areas are that they are drawing from.

Perhaps this is not an argument the member and I should get into, but this has always been a sore point with me, that when previous administrations said they were going to eliminate logging in Atikaki—  
[interjection]

Well, that is part of the question and I know that you did not raise it, but it immediately comes into question when Atikaki was removed from cutting, the cutting became available in the Porcupine and the other ranges of park areas out in the north and the west side of the province. I am not advocating reopening Atikaki, but

I am advocating that Pine Falls has one of the better reforestation programs.

\* (1600)

I had the opportunity to look at some of the burned areas as opposed to some of the cut areas, and from a point of view of forestry, we would be happier with a quicker regrowth period. But my understanding of the forest licensing process and the fact that we have not had any—right now as evidenced by where the forest fires are, we are not suffering any additional loss of harvestable forest in that part of the province, that we have that in balance and we were able to assure them during the forest licensing process of sufficient forest available for cutting on a sustainable basis.

**Ms. Friesen:** No, that was not my point at all. I was not talking about logging. I was raising the issue that the minister himself raised earlier, and that was the excess capacity or the limited supply of materials within Manitoba for the de-inking aspect of the business plan. The minister suggested that to make it economic the materials have to be imported, and he suggested they were going to be imported from the United States or other locations.

So my concern was, how do you balance that off, and has that been balanced off in the business plan with the environmental effects of the movement of that material from the United States, either by road or by rail? I wondered which was going to be invoked. We are getting into details of the Pine Falls business plan, which, if there is another minister that is more appropriate, I would be happy to do that. But I am interested in the de-inking aspect because it has been talked about for a long time, and one of the crucial issues has been the very one that the minister raised—that there is not enough supply at the moment in Manitoba to make it economic.

**Mr. Cummings:** The economic discussion has always been, where should the de-inking plants be located? You could argue that the best place for a de-inking plant is in the suburbs of New York, but then you are going to haul the virgin fibre to that plant, or you are going to haul the pulp from that plant to the other processing location. When you are talking backhaul,

which is what Abitibi has been doing—and I am familiar to this extent with the business plan proposal, as I remember it—one of their major contracts is the Rocky Mountain News. Conversely, Versatech is shipping baled paper to Washington State. I mean, that is a bit like taking coals to Newcastle, to borrow the old phrase. So environmentally, you can argue they are trucking the stuff both ways across the continent.

I think, in fact, we will have an environmental benefit in that respect because Abitibi was only able to use highly sorted old newsprint that they were injecting directly into their main feed so they were only able to use—I think they got up to 8 percent or maybe 10 percent. That number is not relevant but it was small, and therefore could not pay the price and could not use certain papers. With the new capacity, they will, I would think by virtue of being the closest market, probably acquire all of Manitoba's recyclables, a big chunk of which may not be available to them now, plus they will have access to the other markets. So I am not overly concerned about negative impacts.

**Ms. Friesen:** My question was whether that was addressed in the Abitibi, the Pine Falls business plan. Is that business plan publicly available?

**Mr. Cummings:** I am talking about my knowledge of their business plan as they made their proposals to government and how they would justify their next step. I would think that their "business plan" is their proprietary property. I cannot answer that directly, but a competitive business is not going to give its precise business plan, other than in confidence, for competitive reasons.

I am sure there is information we can get to the member in response to particular questions, but I do not think I can promise their business plan.

**Ms. Friesen:** I wanted to ask some questions on government policies for recyclable paper. Does the government have any targets for the proportion of recyclable paper used in its own business?

**Mr. Cummings:** Yes, with a qualification. It is managed by Government Services based on the environmental policy that was developed in

conjunction with all of the departments about five or six years ago, and it has an element of competitive pricing. In other words, a recyclable material or a material with recycled content, pardon me, will not automatically win a tender if they are high. But if they are within a prescribed small percentage, they will be the product of choice, as I recall the policy.

**Ms. Friesen:** As Minister of Environment, does this ministry or this aspect of government policy have targets which you are moving towards? You have given me the bidding process and the idea that there is a preference within certain constraints for some aspects of recyclable material. Is the government working towards a 10 percent amount of recyclable material in government documents, or is it more than that or less than that? Is it a moving target? What are the targets?

**Mr. Cummings:** The policy was not based on targets. It was based on product of choice, and I think that is probably a sound policy because in the earlier years of environmental consciousness the argument was put forward, well, you should buy what was the more environmentally acceptable product no matter what the price.

Two things happened from that. You had some gouging going on on occasion and you also produced shortages which drove the market. That was fair enough, but if you base it entirely on targets or on legislation, we have not chosen to legislate recyclable content of materials printed in this province either because of the competitiveness. There are jurisdictions that we sell into that do that, but it creates another imbalance in the process.

What has happened, in my view, and the reason that targets are not as necessary as they might have been early on in environmental awareness in terms of time, is that it has become good business to in fact produce the product that has the recyclable content. It now makes good sense from the point of view of economics.

The same with gasoline and oil. We prescribed, as I recall—again, it is administered through Government Services, but because the Ministry of Environment was involved—re-refined oil and ethanol fuel as being desirable products. They had to meet competitive

price, which is always the argument in terms of ethanol as an example or ethanol additives, that they be competitive and not be exempt from taxation as other products are. You are tipping the scale into the other debate about total consumption of energy in the production of the product in the first place.

I think our process, in many respects, is better than what you see in some other jurisdictions, because we are encouraging the development of industries here through a number of means that have an environmental aspect to them. We are making the market available to them provided they will give us some of the advantages of being located right here.

**Ms. Friesen:** Could the minister tell us whether the issue of recyclable material or a proportion of recyclable materials in paper has formed a part of any of the interprovincial negotiations on the elimination of trade barriers?

**Mr. Cummings:** I do not think I can respond to that. I am sorry—unless I did not understand the question. I do not have the information.

\* (1610)

**Ms. Friesen:** Perhaps the minister could provide it at a later date. I was really picking up on one of the issues that the minister just raised, that was, the disadvantage that a policy based on targets might have in trading into other jurisdictions. I wondered, had it formed any part of the discussions on the removal of interprovincial trade barriers?

**Mr. Cummings:** My memory is being tested. As I recall, that is partially addressed to the fact that policies are acknowledged in terms of encouraging environmentally sensitive materials. That is why our policy is considered, in my view, a standard, because it talks about price competitiveness, first of all, and the margin for the product choice is kept quite small. It really is not seen as an interprovincial barrier.

We are very sensitive to that, but we would not want to set up barriers because we are probably the most aggressive province in terms of encouraging open borders.

**Mr. Kevin Lamoureux (Inkster):** I wanted to ask on a couple of issues, the first one being to the Minister of Urban Affairs (Mr. Reimer), which will be followed by the Minister of Education (Mrs. McIntosh), the latter dealing with a constituency issue and the current one dealing with the Question Period, to do a bit of a follow-up with the minister.

It is interesting in a sense, you know, we were listening quite attentively to questions that were being posed from the member for Crescentwood (Mr. Sale) to the Minister of Environment (Mr. Cummings). They were talking about the arena facility and the costs of the arena facility.

Mr. Chairperson, along with, of course, the province contributing quite handsomely to this new arena project, so will the City of Winnipeg. The individuals that are going to be paying the property tax are going to be those that live in the city of Winnipeg. I should not say paying the property tax. Those going to be footing the bill for the city's portion are going to be those that are paying property tax within the city of Winnipeg.

Earlier today I asked the Minister of Urban Affairs, Headingley is a community that went through a process which eventually saw it become a rural municipality of its own. When that of course happened, Mr. Chairperson, it does have an impact, and ultimately I would argue a negative impact on the city of Winnipeg as a whole.

Now we see St. Germain and Vermette wanting to go through that same process, which could ultimately see those two communities secede. It is interesting, I had a conversation with an individual and I said, you know, it is somewhat ironic in the sense that we have this Winnipeg arena which is going to be paid for in most part from property taxes of people that live within the city of Winnipeg, and yet—and I do not have the numbers to actually back it up, so you will have to excuse me for speculating here and not necessarily having the facts.

It would not surprise me, for example, if there were more people from the community of Headingley that used the current arena facility more than the people that live, let us say, in Brooklands or in Weston or in

Shaughnessy Park or in many different neighbourhoods within the community of Winnipeg. Yet, the people that pay for the facility and the ongoing operational cost, whether it is that particular arena, if you like, or subsidizing the football stadium or the Man and Nature buildings, the Convention Centre, The Forks, the North Portage, all of these intergovernmental, if you like, projects, strictly city projects, all of these cost considerable tax dollars and provide wonderful services to the residents of Winnipeg.

What we have found has been happening is that satellite communities around Winnipeg have been growing, and there are communities from within the city of Winnipeg that would like to try to relieve themselves of property tax. During the Department of Urban Affairs Estimates the minister agreed with me and concurred with me in most part when I said the primary reason why areas or neighbourhoods in Winnipeg want to leave Winnipeg is primarily because of property tax and services rendered.

Mr. Chairperson, I would ultimately argue almost without exception, you could pick out different communities in Winnipeg and I can articulate why it could be in the best interest of the people that live in Tyndall Park or Meadows West or Shaughnessy Park or any area virtually in the city of Winnipeg, why it would be in their best interests to secede from the city of Winnipeg. For some communities that it is more geographically in their best interests and it is more easy to be able to demonstrate and articulate, one might be more sympathetic to what the community is saying in terms of seceding.

But Mr. Chairperson, there should be absolutely no doubt in the members' minds, in particular the minister's mind that whenever a portion of the city of Winnipeg, whenever a neighbourhood attempts to secede and if they are successful like Headingley, the individuals that are going to be heard or the communities that are going to be heard are going to be the individual communities that remain in the city of Winnipeg, because the property tax base, if you like, reduces. That then prevents the city from being able to possibly go into future ventures or it is going to have to increase the property tax of those who are continuing to remain in the city of Winnipeg.

Mr. Chairperson, again, I do not have all the facts and figures so again I am going to speculate. I think if you take a look at the average income or the median income of the people who live in St. Germain or in Vermette, it is likely going to be higher than many different other communities throughout the city of Winnipeg.

Why is the Minister of Urban Affairs (Mr. Reimer) quite content on making a statement that, look, if the community itself and the neighbourhood itself feels that it is in their best interests to secede, he will entertain it and is prepared to follow the same process in which the previous minister followed.

Well, Mr. Chairperson, if you have a community that wants to be able to leave the city of Winnipeg and if the reasons are right and can be justified, I too might be prepared to be able to sit down and allow something of this nature to occur, but not when the primary reason is strictly because of property tax, given the importance of the City of Winnipeg to be able to generate the property tax that it is currently collecting in order to provide the services.

**An Honourable Member:** Charleswood wants to secede.

**Mr. Lamoureux:** What I would like to be able to see—and some individual minister, I will not say which minister, suggests Charleswood, someone might be able to read in terms of which minister that could possibly be—I think that if we do not see a protocol, if we do not see a process put into place that what we are doing is we are opening the doors. If St. Germain and Vermette do the same thing as what happens in Headingley, then we could see Transcona, then we could see St. Boniface, Charleswood, St. James. Where does it end, Mr. Chairperson?

If in fact that were to happen, am I not then doing a disservice to residents in Meadows West, because I could articulate as to why that is a well-defined community and their property taxes would go down considerably if in fact they were to secede from the city of Winnipeg, and again it is a very well-defined community, but I believe that there are many benefits to the city of Winnipeg, and those arguments must have

been articulated quite extensively when the city of Winnipeg was first formed, and I do not want to take this opportunity to expand on all those arguments that would have been brought forward then.

I believe that the Minister of Urban Affairs (Mr. Reimer) needs to reflect on why it is important that we see the city of Winnipeg enter into a debate and discussion in terms of some form of a protocol, a process, so all communities will be put on an equal playing field.

As I have indicated, ultimately, I believe that virtually every community neighbourhood in the city of Winnipeg could articulate as to why they should be allowed to opt out and secede from the city of Winnipeg, yet I am concerned that this government is not trying to demonstrate to the citizens of all neighbourhoods in Winnipeg that there are benefits and that there is a need for us to stay united in the city of Winnipeg.

\* (1620)

We can address the property tax issue in different ways. Maybe it is addressing the inequities in terms of the education levy, the provincial levy that the province puts on. There are other ways in which we can attempt to address what seems to be the primary reason for why people are opting out. Maybe what is needed is there has to be instructions or City Hall needs to be stricter in saying, look, if we are going to allow construction of homes within the city of Winnipeg, they have to be fully serviced, those lots.

Mr. Chairperson, there are ideas. There are many ideas that are out there. We have a world-class institute, I believe, in the institute of urban affairs. Because I happen to have taken one course, I hope I am not biased in my opinion on that, but suffice to say, we do have a wonderful institute. We do have many people from within the city of Winnipeg that would like to have input, and that is the reason why I argued and will ask the minister that there needs to be—or will the minister consider establishing a vehicle that will allow the different communities in Winnipeg, the different neighbourhoods in Winnipeg, to have direct input in terms of establishing that protocol or that

process, so, ultimately, the communities that are out there will have the opportunity to express what they believe is in their community's best interest.

If we are successful in establishing the process or that protocol, then and only then will every community be on an equal playing field in the sense that they will know in terms of the pros and the cons, not the communities that happen geographically to be in a good position to be able to secede, or someone has advocated from within that community and has been successful through the promise of lower taxation, because everyone wants to see their property tax lowered. I am convinced, and if the minister wants to challenge me to it, I am convinced that I could probably get a good number of the residents in any community that I represent to sign a petition saying, yes, we too want to separate.

I do not believe that that is, in fact, in the best interest of the community that I represent at this point in time. What we need to do is we need to see that protocol, that process, and I believe that the Minister of Urban Affairs, the minister that is responsible for the city of Winnipeg, is responsible for establishing that mechanism to allow that to occur. So that is what I am suggesting to the minister, and I am interested in hearing if, in fact, he is prepared to do that.

Mr. Chairperson, I have heard the argument, and I say this because I do not want the Minister of Urban Affairs to say, well, there are 15 councillors and one mayor, and they represent those communities. We also have 31 MLAs inside this Chamber who represent this community, the community of Winnipeg, but having said that, that does not necessarily mean that there is no need for us to go into the neighbourhoods, to the residents' associations, to the community leaders and provide a forum.

After all, Mr. Chairperson, we recognize that in other areas. We had a Parents' Forum on Education. Well, that was a good idea. It might have been somewhat late, but it was a good idea. The parents' forum was a good idea. It allowed parents from throughout the province to be able to come and talk about education, and I will acknowledge it was a good idea, even though I could have articulated and said, hey, look, we have

hundreds of school trustees who are throughout the province, and we do not need to have a parents' forum, but that would have been wrong because we needed to get the parents involved.

Mr. Chairperson, we need to get the communities involved in making a very important decision and in establishing a protocol, a process, which is acceptable to the residents of Winnipeg. The Minister of Urban Affairs has not been on the forefront, has not been leading with this; nor have previous ministers.

I am asking, and I am going to sum up this first question on a very straightforward question, and that question is, will the Minister of Urban Affairs provide a mechanism in which all communities, neighbourhoods throughout the city of Winnipeg, will be able to participate in some form of a dialogue that will lead to a protocol or process for a future secession of different communities within the city of Winnipeg in hopes that we are able to lead with a carrot in terms of providing reasons as to why it is in the best interest of all people in the city of Winnipeg and even possibly satellite communities to remain a part of the city of Winnipeg?

**Hon. Jack Reimer (Minister of Urban Affairs):** Mr. Chairman, the member brings up some very interesting comments and scenarios that he has talked about.

He did make one clear reference to the fact that he recognizes that there is a mayor and there are 15 councillors who are elected from various parts of Winnipeg to come forth with the views of their constituents and the taxpayers of Winnipeg as to what they feel is important, and the correlation that he then brings into effect is the fact that people are saying that they could get up a petition anywhere within the city and then lobby that they do not want to be part of the city of Winnipeg and they want to secede.

Those are all scenarios, and I guess, you know, situations where they have interpretation in the sense of where and what the definition is of where the priorities would be in that particular area.

I must point out to the member, and he mentions about the taxes that the residents of the city of Winnipeg are paying and they feel that it is better for

them to secede. Well, it must be pointed out that just as there are other areas of taxes that are being realized by the City of Winnipeg also, you know, there is the realization of taxes not only from the property but there are taxes that are realized through the sales tax that the people are spending within the city of Winnipeg. There is the business tax that businesses pay in the city of Winnipeg. There is income tax that is paid by the people that work in the city of Winnipeg. There are a lot of taxes that are generated within the city of Winnipeg that the City of Winnipeg has the benefit of realizing because of the growth and dynamics of this city.

The City of Winnipeg has the opportunity to meet these challenges, and just because the people of Headingley have decided to secede, the overture was made before, after and during the time when Headingley was looking at the direction they were going to be going, is the fact that the City of Winnipeg had the opportunity to address the problem of large lot assessment and the taxation that was applied against them. That was their biggest concern, the taxes on the residents outside of that area, outside of the city of Winnipeg, if you want to call it, on the assessment of their large lots. The City of Winnipeg could have looked at the problem at that particular time and made a choice and a decision as to which was the resolve, but instead they decided they would let the members of Headingley just go as they wanted.

\* (1630)

The member has mentioned the St. Germain-Vermette area. Presently, they are represented by Councillor John Angus, I believe, and he has even said himself that the people have the right to do what they want. The city councillor himself, who represents that area, has even said, well, if they want to leave, they can leave. I mean, City Council itself has taken sort of a blase attitude about what they want and then they come to the province, and now they are saying they want the province to use the heavy hand of direction and clout to correct the problem that they have been looking at.

So I should point out that while there is some merit to what the member for Inkster (Mr. Lamoureux) is saying, a lot of people are saying now that they are

tired of this government that has government-in-your-face type of attitude. They are tired of the fact that the government is the one that has to correct all inequities, and the fact that the Province of Manitoba should be the one that directs everybody within the city. The member has come out with the point, saying, that there should be some sort of consultation. The last thing I am sure the councillors want is for the MLAs within the city of Winnipeg to go out there and start having collective groups and meetings to lobby against the City of Winnipeg within themselves, against what they are coming up with in their taxation programs and the problems that they are facing.

The City of Winnipeg has been advocating to do things on their own, to be involved with their own destiny. The Province of Manitoba has been in a position to try to help and steer and guide the City of Winnipeg through these things and in their direction with legislation, and to say that the province should now, all of a sudden, form groups to be part of a catalyst to lobby against the City of Winnipeg in their attitudes of taxation and where they are going, Mr. Chairman, I think that really the idea is to let the City of Winnipeg have the ability to make their own decisions and the councillors who are elected by the people of Winnipeg to have the direction that they seek.

**Mr. Lamoureux:** Yes, Mr. Chairperson, I guess on this particular issue, at least for now, we are going to agree to disagree, unless the Minister of Urban Affairs, and hopefully he will, gives it some reconsideration possibly into the future. I know this is something, as part of my legislative responsibility, that I do plan to continue and provide some form of a vehicle to ensure that the different communities will have direct input, and I will be sure to bring that to the minister, in particular when we talk to him when we start back up in September, and, hopefully, over the summer he is able to reflect on what has been said on this issue and possibly meet with different people to find out what they have to say. I will just leave it at that.

The other question I had was for the Minister of Education. There has been an issue that has been around for a good deal of time for me, and the first time that I really raised it to any significant degree was back in February of 1990, and that issue is one of a high

school in the northwest corner of the city of Winnipeg. I can recall asking the then-Minister of Education and I look at Hansard from February 1, 1990, and the statements in my first grievance to the House, if you like, at that time.

I indicated that there is a serious problem over at Sisler High School. There were a number of feeder schools that were feeding into it. There was a question mark in terms of the capacity of Sisler High School. I raised the issue to the school board through the Legislature, if you will, that there needs to be a higher priority on establishing another high school out in the northwest corner because of the facts and the figures that were being provided to me, and it is virtually almost on an annual basis that I bring up this whole issue of a high school in the northwest corner.

I look back to just over last year. I guess it would be approximately a year ago. I do not know the actual date on which I got these numbers, so it possibly might be somewhat outdated, but I do want to make reference to it. It is just numbers in terms of the elementary schools' capacity versus current enrollment, if you like.

With respect to Sisler High, for example, 1994 enrollment was 1,475. The capacity—and capacity has really been a tricky thing, depending on who you talk to, you get different capacity. Back in 1990, I was provided a sheet of paper, and I believe it came from the school board, and it said capacity was at 1,334. I have heard capacity as high as 1,600. I guess, from what I understand, the best I have been able to make of it is that it is actually the principal who determines the capacity. He is told, this is how many students you have to accommodate, and unless you start refusing those students, well, the capacity can actually change. When I have asked for capacity through the years, I have seen that. I have seen the capacity number actually change, and that has been somewhat of a surprise to me.

Here is, in essence, the problem, Mr. Chairperson. I have constituents of mine that come to me, and they say, you know, Mr. Lamoureux, we need this other high school built in this area, and what we are being told is that the school board—[interjection] Not hypothetical at all—because I can actually list off names

of people who have told me this. The school board is saying look, we have been after the government to get a new high school built in the area, but they are being turned down by the Public Schools Finance Board.

It is very easy. You know, I am in a very interesting position when they do that because I do not really have a bias, other than the fact that I want to see what is needed done and accomplished. So when they say, well, look, it is the school division that is actually fighting and fighting hard to get this new school built, and then it is the Public Finance Board, I then brought it to the Manitoba Legislature, and I said this to the former minister. I was told by the former minister, well, you know, a five-year capital project or a listing is a wonderful thing. You can list whatever it is that you want, basically, in a five-year capital request, but it is really a question of priorities. If in fact it is a high priority from the school division, that in fact it will have a much better chance at getting done.

**An Honourable Member:** Question.

**Mr. Lamoureux:** We are getting to a question.

I had a very interesting conversation with the Public Finance Board, and they said, you know, you really have to try and get in the top three type things realistically for this to occur. [interjection] Members will have to be patient because the constituents that I represent have been very patient. They have been waiting for years, and what I am hoping to be able to do is to give very clear direction to the constituents that I represent in terms of where the problem is, because I talk to the Public Schools Finance Board, and I leave that, and I talk to the minister or the government of the day, and I leave those discussions thinking, well, geez, it is the school division that is at fault. They are not putting it as a high priority.

Then you talk to the parents, and the parents will say, no, the school division is saying that it is the Department of Education or the public finance board that is at fault because it is on the five-year capital plan.

Then I go to the school division, and the school division says, well, we are requesting an additional facility, and Mr. Chairperson, again, over the years,

whether it was the September of 1993 five-year capital plan or the September 18, 1990, five-year capital plan to the most current one that I received which would have been for the September of 1994 capital plan, and I look in that area, and, again, I see that the high school is really not at the top of priorities, but it is, in fact, appearing on the five-year capital plan.

The question that I have, Mr. Chairperson, is to solve the frustration that many members of my community, the community I represent, have with respect to the new high school. They believe and I believe that the numbers are there to warrant that we need to have the high school built in the northwest corner.

(Mr. Chairperson in the Chair)

\* (1640)

Something has to be done. Sisler is, in fact, over capacity, but it appears that the buck has been passed back and forth, back and forth, and my question to the Minister of Education is, can she indicate the actual process in terms of getting a new high school built, and in the minds of this government, has the construction of a new high school been a high priority with the Winnipeg School Division No. 1?

The reason why that is important to me is that if the response is saying that the school division has to make it a higher priority, well, then, I intend to indicate to the voters coming up to the next civic election that they have to ensure that the school division recognizes that it has to be a higher priority.

If the school board is making it the high priority, and it is this government that believes that the finances are not there, I also need to do that because then once again it reinforces the point that the pressure then has to go on this government, but when I look at the five-year capital plan, I am somewhat disappointed that it has not appeared to be a higher priority.

I am interested in knowing if, in particular, this minister or if she is aware of other ministers, her predecessors, have been lobbied from the school division to actually have a new high school built in the northwest corner in the city.

**Hon. Linda McIntosh (Minister of Education and Training):** Mr. Chairman, I thank the member for Inkster for his question. I indicate to the member that I have never been lobbied by the Winnipeg School Division for a new high school other than a lobby from one member of the school board for an aboriginal, actually a separate aboriginal board which would include different schools.

I have been lobbied by school trustees in Winnipeg, in other divisions, for any number of things but not once ever in my memory has anybody from Winnipeg School Division No. 1, either at the school board level or the administrative level, ever mentioned to me the need for a new high school.

I know from experience that school divisions will place their most important desires at the top of their priority list going to Public Schools Finance Board. I do not know where on the priority list Winnipeg School Division No. 1 has placed the need for a new high school. If it is their No. 1 priority, as you have been led to believe by some people, then it should appear on their list as their No. 1 priority. Public Schools Finance Board, in receiving lists of requests from school divisions, will take a look at a number of things, one being, they will try to assess the need. They will try to look at cost effectiveness. They will look at the availability of dollars. They will look at school division's indication of their rating of priorities.

I have no idea where on their priority list the Winnipeg school trustees have placed the need for a new high school or even if they have placed the need for a new high school, because, as you know, the Public Schools Finance Board and the Department of Education keep a distance from each other.

Having said that I am lobbied by trustees from Winnipeg No. 1 and other divisions on a wide variety of issues, I have never—you are the first person to bring this to my attention. The member for Inkster is the first person to draw this to my attention.

I thank you for drawing it to my attention, and I indicate to you that it has not been brought to my attention by any other MLA or any other school trustee in this province.

If your question is, should you go back and ask your constituents to seek where this is located on the priority list, I would suggest you might wish to do that. That, I think, is where the initiative should be emanating, and I would trust that if it is No. 1 on the priority list and the Public Schools Finance Board assesses that as a need that is more immediate than other needs that may be before them, in terms of the money that is available for allocation to capital, that they would give it due consideration. I do not have more information than that to provide you, and I trust that gives you the guidance you are seeking.

**Mr. Doug Martindale (Burrows):** Mr. Chairperson, I have a question for the Minister of Housing. It regards a seniors building at 114 McGregor Street known as St. Josaphat Sela. I do not expect that the minister will have the answer to this question at his fingertips, but if he will check into it and get back to me, I would appreciate that. It has to do with upgrading to this building.

This issue has been raised with me by tenants, and I have also discussed it with the building manager, although the building manager did not specifically request that I raise it with the minister. The problem in this building is that the windows on the west side of the building leak, particularly in the summer during thunderstorms when the wind and rain are blowing against the building.

I would like to ask the minister if he would raise this with the staff of Manitoba Housing Authority or whomever is responsible for this elderly persons housing building, and if the minister could get back to me and tell me when they are going to provide the funds necessary to either repair these windows or replace these windows.

**Mr. Reimer:** Mr. Chairperson, the member for Burrows is right, I am not totally conversant with the situation at Josaphat's home, but I will take his suggestions as notice and try to get back to him as soon as possible as to the procedure that we can implement for that.

**Mr. Martindale:** I would like to ask the minister questions about Flora Place public housing.

When we met in his office recently, the minister said that he or his staff would raise the question of the future of Flora Place public housing with officials in the Winnipeg office of CMHC. I would like to ask the minister if he or his staff have discussed Flora Place with CMHC staff.

**Mr. Reimer:** Mr. Chairperson, the member for Burrows is correct. We did have a meeting. The meeting that was held in my office was with the member for Burrows, the councillor for the area Mr. John Prystanski and myself and some staff regarding the future plans or the directions that should be considered regarding Flora Place.

I have been in contact with the staff very recently—I think it was the day before yesterday—to get an update as to where the positioning is, where the correspondence is, whether there has been contact made with the City of Winnipeg to try to get some sort of a formalization of their agenda and their perspective as to what they expect out of Flora Place. As the member is aware, the City of Winnipeg will be assuming that property in the year, I believe it is 2010, and at that time it reverts back to the city. The province's involvement as a third party is about a 12.5 percent partner in the project with the federal government being 75 percent majority partner within the project.

Monies available for the upgrade of that complex are ongoing with the maintenance of it. I know that a lot of people who are in there are elderly people. They are people who have become quite attached to that complex. We will work very judiciously in trying to address any type of scenario or problems or solutions regarding the implementation of Flora Place so that the residents there will become the primary concern in any type of direction that is taken by the department in consultation with not only the residents of that area, but I will keep the member for Burrows informed as to any type of decisions or directives that are coming through the department or through CMHC.

**Mr. Martindale:** Mr. Chairperson, I am sorry that I did not hear the minister answer with specific reference to CMHC. Have you or your staff had a chance to meet with CMHC officials?

\* (1650)

**Mr. Reimer:** I personally have not, but I have asked staff to be in contact with them. As mentioned, I have not got back any type of formal reply as to what type have transpired. I asked for an update just a few days ago as to what was the status, but I personally have not been in contact with them.

**Mr. Martindale:** I would like to ask the Minister of Housing if he has written to the mayor or the appropriate standing committee of City Council to ask them or their administration what their plans are as one of the partners in Flora Place public housing. We did hear from the city councillor at the meeting that he had not raised it on the agenda of Lord Selkirk-West Kildonan community committee. He had not raised it on the floor of council. He had not raised it with any standing committees. I would like to ask the minister if he has instead taken the initiative to raise it with the City of Winnipeg.

**Mr. Reimer:** What the member for Burrows is relating to is more or less the conversations that took place to an extent within the meeting that was in our office. The intent that he has outlined was in sync, if you want to call it, with what the thinking and the direction that the department had and correspondence has been initiated to the City of Winnipeg through the local councillor for the positioning that he has outlined regarding the planning committee and the position that they should be coming forth with.

**Mr. Martindale:** Just a final question on this topic, will the minister get back to me on the response of the City of Winnipeg?

**Mr. Reimer:** Yes.

**Mr. Martindale:** Mr. Chairperson, I have questions for the Minister of Justice, who just left the Chamber—I am sure she will be back—and also the Minister of Urban Affairs on the future of the North Y community centre.

I have a short preamble, though. I did ask a question in the Chamber of the First Minister (Mr. Filmon). I thought that he gave me a very gracious response, and

I have written to him and thanked him for that. He said that he would make inquiries as to whether there was anything that the provincial government could do in order to keep the North Y recreation facility open. However, there are at least four government departments involved here: the Ministries of Health, Justice, Family Services and also Culture because there is the possibility of grants from Community Places. It seems to me that somebody needs to co-ordinate this. The Premier and his office may be too busy.

I would like to ask the Minister of Urban Affairs if he would be willing to take some initiative and leadership here in co-ordinating these other government departments to see what role the provincial government has to keep this facility open. It will be very, very sad if this facility closes, and it is scheduled to close tomorrow afternoon at five o'clock except for three programs that are currently operating there: Sunny Mountain Day Care Centre, a life skills program funded by the Department of Health and also the fine option program funded by the Minister of Justice.

Is this Minister of Urban Affairs willing to get involved in this very important issue in our community and provide some leadership in co-ordinating the three government departments and possibly a fourth government department that I named?

**Mr. Reimer:** Mr. Chairperson, the member has put out some very wide parameters regarding the various departments and the responsibilities of leadership in the various areas. I have not been aware or brought up to steam, if you want to call it, on the situation regarding the North Y other than what has happened in the paper and some of the things that have transpired through Question Period here.

I cannot really speculate to a degree of authority as to where the lines of authority or the proprietary direction which could be taken for this department in taking that type of initiative, but I can tell the member that I would certainly entertain thoughts of talking to the other departments to see whether there is an avenue of recourse that could be followed in some way.

**Mr. Conrad Santos (Broadway):** Mr. Chairperson, I would like to follow up on some of the questions, some

of the issues that I raised before with the Manitoba Housing Authority. This is directed to the honourable Minister of Housing who is also the Minister responsible for Seniors.

As official critic for Seniors, it is my responsibility to follow up on all the issues that have been going on, and on the 26th of June, I received another phone call raising the same issues that I have dealt with before, since September 1994.

These are typical comments. I wrote it down as I conversed on the telephone. My cupboard is falling apart. Everything is being stolen downstairs. People are scared to go to the elevator. On the second floor, there was a drunk person and I was afraid—saying awful things. You see comments like this bring to mind the communication that I had.

On September 21, 1994, I wrote the Manitoba Housing Authority and asked them about the absence of notice, about the use of the Manitoba tax credit to calculate the increase in rents. The reply I got stated that the rents for residents are calculated annually for all tenants in accordance with graduated rental scale. Tenants in bachelor suites pay 25 percent—this is in 1994, September—plus adjustments for lights and parking. Tenants in one bedroom pay 27 percent of gross income, plus adjustments for light and parking.

In compliance with The Residential Tenancies Act, the tenants are given three calendar months notice of rent increases. The Minister of Housing has recently announced the establishment of an appeal process for individuals suffering extreme financial hardship as a result of recent rent increases. I want to follow this up. As far as the minister is informed by staff, how many people have appealed as individuals suffering extreme financial hardship as a result of recent rent increases? Are there any?

**Mr. Reimer:** Mr. Chairman, to the best of my recollection on the appeals that have been filed to date, I believe it is just over 380 appeals have been filed.

**Mr. Santos:** How are the appeals disposed of? Are they given some kind of financial assistance when they need it?

**Mr. Reimer:** To the best of my recollection, I believe there was just over 35, or in around that area, that were successful in their appeal, and the amount of dollars that was involved was just under \$4,000, if my recollection is clear.

**Mr. Santos:** The second problem that they still raise up to this day is the closing of the cafeteria, an eating facility, at 185 Smith Street.

When I wrote the Manitoba Housing Authority, this is the reply: Unfortunately, the restaurant at Smith Street had to be closed due to the lack of use by tenants. This restaurant was operated by private entrepreneur not by the Manitoba Housing Authority. The tenant group did not generate enough business to make the operations viable.

That was the reply. Then in the House, when I asked the-then Minister of Housing on December 1994, where the seniors are supposed to go when there is no more eating facilities in that housing complex, and then I asked him also whether they would consider opening some kind of self-serve soup and snack stand within the huge seniors housing complex of 21 floors.

\* (1700)

If this problem still persists, is there any plan on the part of this honourable minister as to how to deal with this concern of senior citizens?

**Hon. Jack Reimer (Minister responsible for Seniors):** Mr. Chairman, I am not totally familiar with the situation. I believe he is referring to the cafe on Smith Street and the closing down of it. I will have to get some further information from my department as to the status of that facility as to what the member for Broadway is asking, so I really cannot give him that type of correction right now.

**Mr. Santos:** Mr. Chairperson, the Manitoba Housing Authority also has stated to me as of September 1994 that the Manitoba Housing Authority has continued to ensure that those tenants who are absolutely dependent on outside assistance for adequate nutrition are being served by the Meals on Wheels program. That is what they said.

I want to follow this up as to are there any available statistics to the minister's knowledge of how many people on these 21 floors at Smith Street have been using the Meals on Wheels program?

**Mr. Reimer:** I really do not have those types of figures available as to how many are using Meals on Wheels in that particular complex. I can get that figure, I am sure, through the department somehow, and I can relay it to the member for Broadway.

**Mr. Santos:** Mr. Chairperson, given that the lack of eating facilities is still an existing problem, would the honourable minister respond favourably or not to any new idea like a co-operative tenant-run soup and snack stand run by the tenants association themselves if they desire to do so?

**Mr. Reimer:** The member for Broadway brings up an interesting observation when he talks about the tenants associations. One of the greatest assets that any type of housing complex can have is the tenants associations themselves and their involvement and their enthusiasm to help themselves and to help the complex in a more humane area.

I should point out that there is approximately, I believe it is \$24 per suite or per housing unit per year for the use of the tenants association, and possibly they could look at that fund to help them in any type of endeavour of expansion of any type of program that they may feel is inadequate or needing in that area.

**Mr. Santos:** One of the most pressing concerns that the senior citizens expressed to me is this problem of security in the housing complex. Recently, I was told that a TV and VCR owned by the Manitoba Housing Authority itself had been stolen, and even the video camera that used to watch people had been stolen itself, and so they said, this lady said to me, she is 60 years old, she said, something has to be done.

Would they not provide at least some security guard after ten o'clock, so that there will be some sense of a feeling of security at the premises?

**Mr. Reimer:** The member has brought forth a situation that, I believe, I can relay back to Manitoba

Housing. If there has been damage or vandalism within the system, I am sure that if it has not been reported, by him bringing it forward now, it will be reported for an investigation, but I should point out that there is an ongoing inspection and investigation going on in all units, and as we speak, it may have already been corrected, but I will bring that forward on his behalf to Manitoba Housing.

**Mr. Santos:** As a response of the administrative people on the problem of security, I had this reply which said: As there is vandalism of equipment and break-ins in the Age and Opportunity Centre, the closure of the second floor after hours and on weekends was required, and when they closed the second floor, the tenants complained. They cannot use the second floor, so the authorities said: However, keys were issued to the tenants association, and they are free to use this space as and when they wish.

My question is, who has the key, what officer of the tenants association? How many keys were given to this group where there are at least 21 floors of people living in that complex?

**Mr. Reimer:** Ah, that is a good question, who has the keys?

To be truthful to the member for Broadway, I would have to have someone contact the tenants association in that particular area to find out whether there is a contact person or if there is an individual who is the key man there or the key person whom they should be involved with, and I will ask them to try to make that clear to the tenants, who the key man is, or the key person, pardon me. [interjection] Key master, yeah.

**Mr. Chairperson:** Order, please. Could I ask the honourable members wanting to carry on their conversations to do so in the loge? I am really having trouble hearing the honourable member for Broadway's questions being put forward at this time.

**Mr. Santos:** Also, when I ask about the concern of citizens that they get no support when they are ill or sick and that seniors have to depend on other senior residents in case they are ill or sick in their own suite, in their own premises. I get the reply that there is a

full-time tenant resource worker who is located at the main floor of 185 Smith Street to assist tenants to obtain necessary services. The resource worker will frequently refer tenant requirements to appropriate support services. Then it says: It is to be remembered that this is a residential building not a nursing care facility. Manitoba Housing staff are expected to be caring, but our mandate is to provide adequate and affordable housing, not to provide health care support. In other words, they are saying, this is not our function.

What is the minister's reaction to this, that they are saying, we are not accountable for the health of senior citizens. We have no concern. Our task is merely to provide housing and to make sure that we make enough money to run the housing complex.

**Mr. Reimer:** I guess there is the interpretation that the member for Broadway is asking me to philosophize about regarding the moral responsibilities, the social responsibilities and the health responsibilities. As the Minister of Housing, I can address the problems regarding supplying adequate housing and accommodation for people of need.

To speculate as to their social needs, I would have to be the Minister of Family Services. To respond in a knowledgeable way about their health needs, I would have to wear the hat of the Minister of Health, and I feel that the overlap and the interpretation between the three of them falls beyond my scope of knowledge and jurisdiction as Minister of Housing.

**Mr. Santos:** Mr. Chairperson, as Minister responsible for Seniors, would it not be nice if he had some authority to initiate some programs, that there would be at least one full-time nurse there all the time, available in case some of the senior citizens are sick in the housing complex?

As Minister of Housing, he can also provide perhaps a small quarter for this nurse or medical people who would be available at the instant whenever there is some kind of emergency situation in that particular location of 21 floors where there are many senior residents who are at the dawn of their life.

**Mr. Reimer:** Mr. Chairman, as the Minister responsible for Seniors, there are various venues and various avenues of exploring for the health of seniors. I know we work very closely with the Department of Health and the Minister of Health (Mr. McCrae) in trying to come to a resolve on some of the areas of concern in regards to the proper direction and the care of seniors within the various institutes and the personal care homes and in regards to seniors in various areas of accommodation. As Minister of Housing, our mandate is to provide the best affordable housing to people of need. As the Minister responsible for Seniors, there is the interpretation and the recognition that there is an overlap between the various departments, and it is this overlap that we try to adjust and to vary accordingly in a humane manner in dealing with any type of people who are in the seniors age bracket.

**Mr. Santos:** Mr. Chairperson, generally senior citizens are very sensitive about being independent and responsible for their own personal life and their own housing needs. But the fact of the matter is that some of them are becoming unable to take care of themselves, so whatever kind of housing arrangement government should provide, governments should be sensitive to the quality of life that senior citizens would be living. There is some kind of sensitivity needed that there is a need for recreation and for mobility and a need for safety, particularly safety, and need for immediate health care attention. This is my plea, and I sit down.

**Mr. Reimer:** I thank the member for all his valuable contributions.

**Ms. Friesen:** Mr. Chairperson, I wanted to ask a question of the Minister of Urban Affairs. Last time in concurrence I raised the issue with the former minister of the property north of Omand's Creek currently occupied by private ownership. There have been a number of discussions over the years about changes in the ownership, possibly involving the province and the city, of that particular property.

Last time in concurrence the minister indicated that she had been involved in discussions with the city over this and that she looked for some resolution relatively

soon, so I am asking for an update from the minister of what has happened. Have there been any changes?

When I spoke to city people recently, they indicated that it was essentially now in the province's court. They were waiting for a response, so it is really an update I am looking for.

**Mr. Reimer:** If the member could just give me a moment, I will just get it more clarified in my mind as to the current status of it.

Mr. Chairman, I believe the member is referring to the property that is in and around Omand's Creek. I will go back to August of 1994—cabinet authorized to contact the City of Winnipeg to offer a fund to the purchase of the land which is 1405 Portage Avenue on a cost-share basis with the maximum commitment of \$200,000.

On September 21, 1994, Winnipeg council approved the recommendation to acquire the property in question on Omand's Creek on February 8, 1995, and the province authorized an expenditure of \$200,000 for the acquisition by the City of Winnipeg. The sale of the property was negotiated at a price of \$400,000 plus GST. The transfer of these two properties to the city is now underway. That is current as of May 30, 1995.

**Mr. Chairperson:** Is the committee ready for the question? The question before the committee is on the motion of the honourable government House leader that the Committee of Supply concur in all Supply resolutions relating to the Estimates of expenditures for the fiscal year ending March 31, 1996, which have been adopted at this session by the three sections of the Committee of Supply sitting separately and by the full committee. Agreed?

**Some Honourable Members:** No.

#### Voice Vote

**Mr. Chairperson:** All those in favour, please say yea.

**Some Honourable Members:** Yea.

**Mr. Chairperson:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

**Mr. Chairperson:** In my opinion, the Yeas have it.

\* (1720)

#### Formal Vote

**Mr. Steve Ashton (Opposition House Leader):** I would request a recorded vote.

**Mr. Chairperson:** A recorded vote having been requested, call in the members.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 26, Nays 23.*

**Mr. Chairperson:** The motion is accordingly carried.

Committee rise. Call in the Speaker.

#### IN SESSION

#### Committee Report

**Mr. Marcel Laurendeau (Chairperson of Committees):** Madam Speaker, the Committee of Supply has adopted a motion regarding concurrence in Supply resolutions passed, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for Emerson (Mr. Penner), that the report of the committee be received.

**Motion agreed to.**

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I move, seconded by the Minister of Family Services (Mrs. Mitchelson), that this House concur in the report of the Committee of Supply respecting concurrence in all Supply resolutions relating to the Estimates of expenditure for the fiscal year ending March 31, 1996.

**Motion presented.**

**Madam Speaker:** Agreed?

**Some Honourable Members:** No.

**Voice Vote**

**Madam Speaker:** All those in favour, please say yea.

**Some Honourable Members:** Yea.

**Madam Speaker:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

**Madam Speaker:** In my opinion, the Yeas have it.

**Formal Vote**

**Mr. Steve Ashton (Opposition House Leader):** Yeas and Nays, Madam Speaker.

**Madam Speaker:** A recorded vote has been requested. Call in the members.

\* (1730)

Order, please. All those in favour of the concurrence motion, please rise.

**Division**

*A RECORDED VOTE was taken, the result being as follows:*

**Yeas**

*Cummings, Downey, Driedger, Dyck, Enns, Ernst, Findlay, Gillehammer, Helwer, Laurendeau, McAlpine, McCrae, McIntosh, Mitchelson, Newman, Pallister, Penner, Pitura, Praznik, Radcliffe, Reimer, Render, Rocan, Sveinson, Toews, Tweed, Vodrey.*

**Nays**

*Ashton, Barrett, Chomiak, Dewar, Doer, Evans (Brandon East), Evans (Interlake), Friesen, Hickes, Jennissen, Kowalski, Lamoureux, Mackintosh, Maloway, Martindale, McGifford, Mihychuk, Reid, Robinson, Sale, Santos, Struthers, Wowchuk.*

**Mr. Clerk (William Remnant):** Yeas 27, Nays 23.

**Madam Speaker:** The motion is accordingly carried.

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I move, seconded by the Minister of Health (Mr. McCrae), that Madam Speaker do now leave the Chair and the House 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,** and the House resolved itself into Committee of Ways and Means for raising of the Supply to be granted to Her Majesty with the honourable member for St. Norbert (Mr. Laurendeau) in the Chair.

**COMMITTEE OF WAYS AND MEANS**

**Supply—Capital Supply**

**Mr. Chairperson (Marcel Laurendeau):** Order, please. The Committee of Ways and Means will come to order. We have before us for our consideration the resolutions respecting the Capital Supply bill.

I would remind members that the 240 hours allowed for consideration of Supply and Ways and Means resolutions has expired. Pursuant to Rule 64.1, these resolutions are not debatable.

The resolution for Capital Supply reads as follows:

RESOLVED that towards making good certain sums of money for Capital purposes, the sum of \$100,000,000 be granted out of the Consolidated Fund—pass.

**Supply—Main Supply**

**Mr. Chairperson:** We also have before us for our consideration the resolution respecting the Main Supply bill.

The resolution for the Main Supply reads as follows:

RESOLVED that towards making good certain sums of money granted to Her Majesty for the public service

of the province for the fiscal year ending the 31st day of March, 1996, the sum of \$4,918,228,700 be granted out of the Consolidated Fund—pass.

Committee rise. Call in the Speaker.

### IN SESSION

#### Committee Report

**Mr. Marcel Laurendeau (Chairperson of Committees):** Madam Speaker, the Committee of Ways and Means has adopted a resolution regarding Capital Supply and a resolution regarding Main Supply, directs me to report same and asks leave to sit again.

I move, seconded by the honourable member for Emerson (Mr. Penner), that the report of the committee be received.

**Motion agreed to.**

### INTRODUCTION OF BILLS

#### Bill 30—The Appropriation Act, 1995

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I move, seconded by the Minister of Northern and Native Affairs (Mr. Praznik), that leave be given to introduce Bill 30, The Appropriation Act, 1995; Loi de 1995 portant affectation de crédits).

**Motion agreed to.**

### SECOND READINGS

#### Bill 30—The Appropriation Act, 1995

**Hon. Jim Ernst (Government House Leader):** I move, seconded by the Minister of Rural Development (Mr. Derkach), that Bill 30, The Appropriation Act, 1995 (Loi de 1995 portant affectation de crédits) be now read a second time and be referred to a committee of this House, by leave.

**Madam Speaker:** Does the honourable government House leader have leave?

**Some Honourable Members:** Leave.

**Madam Speaker:** Leave has been granted.

**Motion agreed to.**

\* (1740)

### INTRODUCTION OF BILLS

#### Bill 29—The Loan Act, 1995

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I move, seconded by the Minister of Education and Training (Mrs. McIntosh), that leave be given to introduce Bill 29, The Loan Act, 1995 (Loi d'emprunt de 1995), by leave.

**Madam Speaker:** Does the honourable government House leader have leave?

**Some Honourable Members:** Leave.

**Madam Speaker:** Leave has been granted.

**Motion presented.**

**Mr. Leonard Evans (Brandon East):** Madam Speaker, I wonder if we could ask some questions of the Capital Supply that is being presented to us today. In particular, the biggest—

**Madam Speaker:** Agreed?

**An Honourable Member:** Agreed.

**Madam Speaker:** Agreed and so ordered.

### SECOND READINGS

#### Bill 29—The Loan Act, 1995

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I move, seconded by the Minister of Environment (Mr. Cummings), that Bill 29, The Loan Act, 1995 (Loi d'emprunt de 1995), be now read a second time and be referred to a committee of the House, by leave.

**Madam Speaker:** Does the honourable government House leader have leave?

**An Honourable Member:** Leave.

**Madam Speaker:** Leave has been granted.

**Motion presented.**

**Mr. Leonard Evans (Brandon East):** Madam Speaker, I wonder if the Minister of Energy could very briefly explain what the \$93.17 million is being requested for? It is a big amount of money. We would like to have some explanation.

**An Honourable Member:** Would you care to repeat the question?

**Mr. Leonard Evans:** Madam Speaker, I wonder if the Minister of Energy could explain to the House what the \$93,170,000 is being requested for under the Manitoban Hydro-Electric Board on Schedule A of page 6 of Bill 29?

**Hon. Darren Praznik (Minister of Energy and Mines):** Madam Speaker, it is my understanding that this amount will be for the capital projects of the Manitoba Hydro-Electric Board, Manitoba Hydro, and I would be pleased to provide the member with detailed information covering that amount.

**Mr. Leonard Evans:** I gather, Madam Speaker, that the minister does not really know what this \$93 million is for because he is going to give me a list later, but there should be some explanation. Is there some major item on the \$93 million, some major project that is involved, some major transmission line or just what?

**Hon. Jim Ernst (Minister of Consumer and Corporate Affairs):** The total capital program for Manitoba Hydro for 1995 is \$361,400,000. The '95 request is based on—sorry, on a capital program of \$402.5 million of which cash expenditures are expected to be \$361.4 million.

The components include \$98 million for domestic items, \$92.7 million for new transmission, \$51.2 million for mitigation works, \$50.3 million for thermal

rehabilitation, \$36.8 million for the North Central Manitoba Project, \$29.9 million for the hydraulic rehabilitation, \$14 million for transmission upgrades, \$10.7 million for demand-side management, \$2.3 million for environmental initiatives and approximately \$11.6 million of miscellaneous items.

**Mr. Leonard Evans:** I was sure somebody on the government's side knew what all this money was for. Thank you.

Just going on expeditiously here, can the Minister of Agriculture (Mr. Enns) explain what the monies are being requested for, for the Manitoba Agricultural Credit Corporation? Is there anything new or different in that program of Capital Supply that the House should know about?

\* (1750)

**Mr. Ernst:** Madam Speaker, it is a \$55-million total capital program of which \$44.5 million is sought in The Loan Act.

The details are \$36 million for direct loans, \$10.7 million for guaranteed loans, \$6 million for stocker loans, corporate direct loans of \$2 million, \$200,000 for fish farming and approximately \$100,000 for Crown land loans, so that I think, by and large, those are the standard kinds of procedures for the Manitoba Agricultural Credit Corporation.

This funding is required for them to maintain their normal programs.

**Mr. Leonard Evans:** So I gather that there are no new initiatives necessarily being taken in the order of Capital Supply for the Manitoba Agricultural Credit Corporation. It is more or less a status quo program that we are talking about. We are not talking about any new initiatives.

**Mr. Ernst:** I am advised, Madam Speaker, that the feeder loan issues, the stocker loan, I guess, is a relatively new program. I am not sure if it functioned in the latter part of last year or not, but it is a relatively new program, providing funding for feeder-lot people to start up.

**Mr. Leonard Evans:** I believe some reference was made to fish farming. Is that the same amount that was requested for last year?

**Mr. Ernst:** Madam Speaker, it is my understanding that it is about the same as was done in prior years, although this program was provided initially under the Department of Natural Resources prior to 1992 when it was switched to Agriculture.

**Mr. Leonard Evans:** Madam Speaker, so I would go down the list and ask a similar question for Business Support, Industrial Opportunities Programs, approximately \$18.73 million is being requested. Can the House leader or the Minister of Industry tell the House whether there are new initiatives in this program, and, also, what in particular are these funds expected to be allocated into some specific project that the minister, that the government has in mind or is planning to utilize these funds?

**Hon. James Downey (Minister of Industry, Trade and Tourism):** Madam Speaker, it is really reflective of the initiatives that are there for the job creation programs. I could mention a few of them for the member, one of them being the Palliser Furniture support program which was announced some while ago, Franklin Industries, one of them a major manufacturing operation.

Basically, Madam Speaker, the Manitoba Industrial Opportunities Program is an ongoing program, reflecting pretty much along the same lines as last year. Also, we have to accommodate in our expenses which we look after in the other part of our Estimates for the interest costs. As far as a new initiative the answer is no, basically carrying on with the Industrial Opportunities Program that was there before and again is reflected in many announcements that were made over the last few months.

**Mr. Leonard Evans:** Madam Speaker, I thank the minister for that information, but one would have thought that at some point, if you expected industrial expansion, and this program presumably assisting in that industrial expansion, that there may be room for some additional funds if the government felt that this program was going to provide more jobs, more

manufacturing jobs, or more industrial jobs in the province of Manitoba. I gather that it is more or less a status quo situation, that the government does not expect new applications or significant applications under this program, that it requires further Capital Supply, so I am just assuming that is the situation.

**Mr. Downey:** Madam Speaker, I do not think one can judge the growth of the economy by the amount of money that is put into a program like this. This is in place to support companies that are either expanding or new opportunities in the province. They have to qualify. There will be some companies expansions taking place that will not require support under this program.

Let me give you an example, and I should have put it on the record previously, and that was the recent announcement by Nestle-Simplot, of which many of us are familiar, at Carberry where they have recently announced an \$18 million expansion where there is no support under this particular program, the Industrial Opportunities Program.

We anticipate many other activities to take place in the province that will not necessarily draw upon government support. These are for companies that have indicated that in us getting involved it would either move their decision ahead by a few years, like Loewen Windows I believe was at Steinbach where they have added some 240 to 250 jobs, a major employer for the town of Steinbach. That decision would not have been made to advance and go ahead if it had not been for the Manitoba Industrial Opportunities Program and our involvement. So that is what takes place in a lot of cases.

It is a matter of a judgemental call. There may be some situations and, quite frankly, Madam Speaker, there are situations that develop where we have to go back to the Treasury of government.

One example for a loan authority was in the support that was provided for the Pine Falls Paper Company where the previous year it was not determined that we would in fact need the magnitude of money that we needed so that money was provided and accommodated for.

**Mr. Leonard Evans:** I thank the minister again for that information.

I just point out, Madam Speaker, that I recall in the Pawley administration there was a very significant expansion in Carnation Foods, as well as Carberry, with the assistance of a major industrial development grant from the Province of Manitoba at that time. So I think we have had a share, we have played a role also in assisting that particular enterprise.

I wonder if the minister could advise the House whether one, two or three large corporations take the bulk of this money or do you have many, many small enterprises that apply and receive monies? If the minister has any information, we would like to know it. What is the average size of loan or average size of grant?

**Mr. Downey:** Madam Speaker, I have a breakdown. I provided the information to the member for Crescentwood (Mr. Sale) during our Estimates process as to all the companies that got support. I think in the interest of time I can make sure the member gets that information, as well, if he does not want to get it from Crescentwood. It names the company. It names the numbers of jobs. I have to say and put this on the record, the numbers of jobs are far in excess of what we initially anticipated would be created or developed when the initial agreements were signed. I think the majority are all over, substantially, the numbers. I have that detail which I will make sure the member gets.

**Mr. Leonard Evans:** Madam Speaker, I appreciate that offer from the minister. I do not want to duplicate what did go on in the Estimates review, but this is Capital Supply we are talking about. It is a significant amount of money. I think members of the House generally would be interested in knowing whether one, two or three companies take the bulk of the money and the rest being distributed in very small amounts to other enterprises or whether generally they tend to be sort of medium, average size type of loans or grants.

I appreciate also the fact that you cannot look at these numbers and say, well, this is how you gauge the

amount of manufacturing investment in the province. It takes place for various reasons.

One important reason, of course, is the value of the Canadian dollar vis-à-vis the American dollar and the fact while some people may not like a cheap Canadian dollar, especially if you are going down to the United States for a holiday or something, or whatever, nevertheless it does help our exports, including our manufacturers. That is one of the reasons we have done better in Canada and in Manitoba in terms of stimulating our manufacturing industry. So I would submit that is probably a far more important factor than the amount of monies made available in the program, although I am not knocking the program. I am just saying that I agree; there are other major factors there as well.

Communities Economic Development Fund, \$6.41 million. Is there anything new to report by way of utilization of Capital Supply in that particular fund, Madam Speaker?

**Mr. Praznik:** Madam Speaker, I do not know if I caught all the member's questions, but I can tell him that there are no special projects in CEDF fund. I believe that is what he is referring to. The capital request would be for the regular operation of that particular fund which has a fairly good loan portfolio as applications come forward, and I know since major steps were taken by my predecessor, the now-Minister of Industry, Trade and Tourism (Mr. Downey), when he was responsible for this portfolio, the amount of bad debt, et cetera, has been cleaned up significantly. So this particular request under this loan act is for the regular funding of ongoing projects, nothing special.

**Madam Speaker:** Order, please. The hour being 6 p.m., this House is adjourned.

The hour being 6 p.m. and in accordance with the rules, I am interrupting the proceedings. The debate on this matter will remain open.

The House is now adjourned and stands adjourned until 10 a.m. tomorrow. (Friday)

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 29, 1995

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