

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 25 August, 1986.

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - GOVERNMENT SERVICES

MR. CHAIRMAN, M. Dolin: The Member for Turtle Mountain.

MR. D. ROCAN: Could you tell me the number of staff people who work in the provincial garage?

MR. CHAIRMAN: The Minister of Government Services.

HON. J. PLOHMAN: Mr. Chairman, I understand there are about 34 in the garage itself.

MR. D. ROCAN: Can the Minister tell us how big a fleet do we own?

HON. J. PLOHMAN: About 2,500 cars, something like that, give or take a couple. It's been about that size for the last three or four years.

I just wanted to, Mr. Chairman, give the rates for the private vehicles, the question was asked. South of 53rd, less than 10,000, the first 10,000 kilometres is 23.4 cents per kilometre; and north of 53, it's 26.3 cents per kilometre; and over 10,000, between 10,000 and 20,000 kilometres per year, south of 53rd, it's 18.4 cents, and north of 53rd, it's 20.7 cents.

MR. D. ROCAN: Can the Minister indicate whether all vehicles are purchased by tender?

HON. J. PLOHMAN: Mr. Chairman, the member's colleague was asking this before and we went through this information. The Member for Ste. Rose could probably reaffirm my statement that we went through. Yes, they're tendered and I said that all the dealers have an opportunity in Manitoba to tender on those vehicles.

MR. D. ROCAN: I understand there is some kind of a rule, or whatever, but are there any exceptions to the rule other than the possibility of cars acquired by a Minister? Can a Minister just go out and order his own type of car, the kind that he likes? Can he just go out there and order whatever he wants, or . . .

A MEMBER: Only Jay.

MR. D. ROCAN: Only Jay.

HON. J. PLOHMAN: Is the member suggesting that the Member for Churchill has been doing something under the table on his vehicles? — (Interjection) —

Now, Mr. Chairman, in a very serious manner, just to review the policy, there are certain specifications setting out what models a Minister could ask or in terms of his ministerial vehicle. The models that are

identified are all within specifications for compact sedans and the member could identify, first of all, the model he wants and then all of those dealers in the constituency area, or in a region, would be asked to quote on that vehicle and the lowest tender would be the one that . . . It's an area designated by the Minister but there must always be three quotes for the vehicle.

This isn't something that my staff was just telling me, but I just wanted to throw this point in, I think it's relevant, that this is a new policy established by this government, unlike the former government who allowed the Ministers to simply purchase from a dealer of their choice.

MR. D. ROCAN: Are Ministers who administer Crown corporations bound by the same restrictions, that cars for use in those Crown corporations purchase their vehicles through Government Services by public tender?

HON. J. PLOHMAN: Mr. Chairman, I think the member is referring to senior executives of Crown corporations as opposed to Ministers of Crown corporations. The Ministers are also Ministers of other departments, so they come under the same criteria, all Ministers do.

If the member is talking about senior executives of Crown corporations, first of all they are not purchased through the Government Services Department and the specifications have not been laid down as strict policy for those corporations up to this point. They were only as guidelines.

MR. D. ROCAN: All Cabinet Ministers are all equipped with a car?

HON. J. PLOHMAN: Yes.

MR. D. ROCAN: And their Deputies, and are their S.A.'s and E.A.'s also given a car?

HON. J. PLOHMAN: E.A.'s and S.A.'s are not given cars - are assigned vehicles.

MR. D. ROCAN: All these cars, are they all equipped with a car phone?

HON. J. PLOHMAN: The policy adopted by the former Lyon Government, the practice was that the Ministers had car phones and that has been continued.

MR. CHAIRMAN: The Member for Turtle Mountain.

HON. J. PLOHMAN: Excuse me, Mr. Chairman, except some Ministers may have chosen not to have any installed in their vehicles.

MR. D. ROCAN: The Member for Transcona, is he still using his car?

HON. J. PLOHMAN: No, Mr. Chairman, he's not.

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MR. D. ROCAN: Yet he still has a number listed to him with a car phone number into that government car.

HON. J. PLOHMAN: Mr. Chairman, if he's talking about a listing that was perhaps printed before he resigned temporarily, well that is something that I can't comment on. I'll check that out.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. G. CUMMINGS: A question that we didn't deal with before supper was, we were talking about servicing a share of the vehicles in the government garage. This listing of services performed on the vehicles, does this include operations done at private garages as well?

HON. J. PLOHMAN: It's my understanding, Mr. Chairman, that those outlined on the front page of the Supplementary Information is directly off the computer program on that list. All operations were both at the Government Central Vehicle Garage and private garages.

MR. G. CUMMINGS: What other services are supplied at the government garage? Is it also used to fuel up the vehicles that come in?

HON. J. PLOHMAN: Yes, there's fuel services there.

MR. G. CUMMINGS: Has there been any changes to those facilities regarding storage and Bowsers in the last year? There was a fair bit of talk on the . . .

MR. CHAIRMAN: The Member for Thompson on a point of order.

MR. S. ASHTON: Mr. Chairman, I must apologize to the Member for Ste. Rose but members on the opposite side of the table are at various stages of lighting up cigarettes and cigars. I was wondering if you could remind them of the "No Smoking" signs . . .

MR. CHAIRMAN: I will remind the honourable members that the rules of committee are that there is no smoking allowed at the committee hearings, with great appreciation from the Member for Thompson for bringing that to the attention of the Chair.

The Member for Ste. Rose.

MR. G. CUMMINGS: I was referring to the ability to dispense gas at the Central Garage. Has that capacity been changed in the last year?

HON. J. PLOHMAN: I'm advised that it has not.

MR. G. CUMMINGS: There's was considerable talk about using that facility to dispense fuel, to reduce fuel prices in this province. Is there anything further being done on those plans?

HON. J. PLOHMAN: I don't know if there was considerable debate. I think the Minister of Industry, Trade and Technology perhaps while he was still Minister of Finance, had made a comment about that possibility.

To this date, that has not been implemented. There was some study as to the feasibility of it, but we have not gone further on that matter at this particular time.

MR. G. CUMMINGS: You say there may have been some study to look at the feasibility of it. Can you tell us what the results of that study might have been?

HON. J. PLOHMAN: Well, Mr. Chairman, we did look at it to see whether it would be cost-efficient to do that and it was determined that it would actually cost as much or more to purchase it in the States and then transport it here, that the costs would actually be greater than they would for the other alternatives that we have.

MR. G. CUMMINGS: Has there been any re-examination of that possibility since the agreement's been made with North Dakota regarding charging of the North Dakota tax against fuel that would come across the border?

HON. J. PLOHMAN: The comparison was made without the tax. That was the assumption, that we would not be paying a North Dakota tax.

MR. G. CUMMINGS: Just to be perfectly clear, is the Minister saying that the assumption on the pricing has always been that the North Dakota tax would not be applicable?

HON. J. PLOHMAN: Well, Mr. Chairman, I think if the member is referring to the gas pump trade versus the farm trade, perhaps, that's in different taxes that apply, but there was never an assumption that we would be purchasing from North Dakota locations and paying that tax in the calculations that were done for comparative purposes.

MR. G. CUMMINGS: In regard to the costs that are shown here for operation of the vehicles, it seems to be quite a low number for tire replacement and repair. Is there any possibility that number is not the correct one? Repair, I can see, but replacement, I would have some difficulty with 2,500 vehicles on the road with some 18,000 miles travelled annually. It seems like pretty good tires, that only one tire per vehicle would have been replaced or repaired.

HON. J. PLOHMAN: Mr. Chairman, I understand a couple of the classifications or categories there have been verified, but this one has not been checked for verification, so we can do that.

MR. G. CUMMINGS: The appropriations where there's a Recoverable shown, is that where the vehicles have been costed out to the user departments?

MR. CHAIRMAN: Are you referring to (b)(3) the Recoverable from Other Appropriations?

MR. G. CUMMINGS: Yes, it would be the same figure. I'm going from the supplementary . . .

MR. CHAIRMAN: The \$15,235,000.00?

MR. G. CUMMINGS: Yes. I don't mean to be jumping around, Mr. Chairman, but it's all within that same area and I assumed it was a reasonable question.

HON. J. PLOHMAN: What was the question on that, Mr. Chairman?

MR. G. CUMMINGS: That amount, is there anything else in there besides the costing out of the vehicle to the user department, or is that one of the items that's included there? The other question would be for personal use, where people within a department have personal miles as well. Does that show up in Recoverable here?

HON. J. PLOHMAN: Yes, the costs reflected there are the full costs of operation, plus depreciation costs for vehicles that are assigned to other departments. It does not include personal mileage collected or fees collected for personal mileage directly. That is paid as revenue to each department from individuals who are paying the figure for personal mileage.

MR. G. CUMMINGS: A related question then would be - and I guess I have to take a minute to explain my question. For example, if a Minister has a government vehicle that he wishes to use within his constituency for travel, the rest of us who sit in the Opposition benches or backbenches are allowed \$2,500 a year for constituency travel.

Does the Ministerial advantage of having a government vehicle, how is that set up and charged back in terms of constituency travel, as if it is not set up in a charge-back situation for constituency travel, then the \$2,500 allocation that we have for travel or other incidentals within the constituency becomes freed up for other uses. I'm wondering if the Ministerial availability of vehicles also would absorb the cost of constituency travel.

HON. J. PLOHMAN: Mr. Chairman, first of all, the constituency allowance of \$2,500 is not just for constituency travel.

MR. G. CUMMINGS: I understand that.

HON. J. PLOHMAN: That's just one use that an individual MLA can choose to put that \$2,500 to. He could use it for many other things. There is a criteria, and the member is aware that there's quite a lengthy criteria, for the use of that \$2,500 on a receiptable basis.

So, in terms of travel with the ministerial cars, Ministers would not have to use it for constituency travel unless they were in a constituency that required flying from one area to another, which is true for certain constituencies, in the North particularly, and then they could use it for travel purposes. Other than that, they would probably use it for some of the many other criteria, and the Legislative Assembly Management Commission chose to set it up that way, that they would not differentiate between Ministers and other MLA's with regard to the use of that. It's quite a broad criteria. I'm not certain that many MLA's make the largest use of it on the basis of travel. It's possible that some do; that's what they choose to do.

Insofar as the cost of operating it as a personal vehicle, the cost that an individual incurs is on their income tax and they have to declare the vehicle as a taxable benefit and, at that time, they pay on the basis of the number of personal miles that's used. The benefit is calculated and the individual has to pay tax on that income.

MR. G. CUMMINGS: Well, any constituency outside of the city, and including some of the ones on the fringes of the city, travel can be a fairly significant cost to operation of the constituency.

My question is still how was that classified in terms of expenditures to those who have government vehicles. It's not exactly personal mileage. Is it considered government work, which to some degree it is, or is it considered constituency work which is outside of the governmental responsibility?

HON. J. PLOHMAN: It's a little bit of splitting hairs. I don't know if any Ministers have attempted to try and break that down. I think, historically, traditionally, the travel in the constituency is viewed the same way as other ministerial business for Ministers in that they have not, I don't think, traditionally broken out that portion of travel that would be considered MLA related or oriented versus ministerial related. That's something that has never been split in terms of splitting hairs in that fine a detail on that matter.

MR. G. CUMMINGS: Yes, while I didn't ask the question in terms of splitting hairs, I think I have to assume it becomes one of the small advantages of being in the Cabinet, however.

One last question, Mr. Chairman. Manitoba Hydro and MTS, in terms of vehicles, is there any linkage to Government Services to their vehicles?

HON. J. PLOHMAN: The question was asked earlier about Crown corporations, and I said that Crown corporations are not directly related or involved in terms of the vehicle assignment with Government Services Department.

I think the Water Services Board, there are a couple of anomalies there and I'm not sure which ones they are. Agricultural Credit Corporation, Crop Insurance Corporation, Health Services Commission, Communities Economic Development Fund (CEDF) and the Frontier School Division are about five or six where agencies of government are assigned through Government Services vehicles but those are the only ones. The Crown corporations that the member asked about earlier are not.

MR. G. CUMMINGS: Those two in particular, then, are outside. Are there any others that are major Crown corporations that we would consider? What about the Manitoba Energy Commission?

HON. J. PLOHMAN: Well, the member's question is what? Are there any others besides the ones I've listed as being included as vehicles assigned by the Government Services Department? The answer is no.

MR. G. CUMMINGS: Mr. Chairman, that's the last of my questions.

MR. CHAIRMAN: 3.(b)(1)—pass; (b)(2)—pass; (b)(3)—pass.

3.(c) Office Equipment Services - the Member for Ste. Rose.

MR. G. CUMMINGS: Mr. Chairman, I wonder if the Minister would indulge us and answer a few questions regarding Gimli Properties at this point. The Member for Portage has been in the other committee and would like to go back there. He has some questions in that area. Mr. Chairman, we agreed to do that, bearing in mind that it is already passed, but we would like information.

MR. CHAIRMAN: Yes, Item 2.(g) - the Member for Portage.

MR. E. CONNERY: Well, we've had a concern in the House for some time over the Gimli Dragways and I think the Minister is aware of that. We've talked to the Minister of Business Development and also to this Minister who was the previous Minister of Telephones.

In the House, on August 11th, I asked the Minister about Dimar and the Dragways, and I intimated that Dimar was using a part of the Gimli landing strip without lease and couldn't they use this as a lever against Dimar to try to work out some amicable arrangement with Dimar so that the Dragways could operate in a reasonable function because they had to go from a quarter mile race to an eighth mile which is not conducive to good drag racing.

The Minister said that the Member for Portage is wrong when he says that Dimar Training Systems are using a part of a runway in which they do not have a lease for. The Minister is wrong in that. I don't know if he's checked into it after I asked that question, but Dimar is using some part of a runway that they do not have a lease for. I've checked this out very thoroughly and that is a fact.

Has the Minister something to now contribute to that particular discussion?

HON. J. PLOHMAN: Well, Mr. Chairman, I think the member should refer to the whole statement that was made, his full question and my whole answer. The fact is that Gimli Dragways was using a part of a runway that they did not have a lease for.

MR. E. CONNERY: Agreed.

HON. J. PLOHMAN: And that's really what I assume the Member for Portage was confusing on that.

The fact is that Dimar does have a lease for that area that formerly was used by Gimli Dragways even though they did not have a lease for it. They had a lease for a good part of the runway, but they did not have a lease for all that they required and did not pursue a lease for all that they had required until, obviously, it was too late until another lease was signed for that section of runway to Dimar Training Systems last January of '86. So Dimar is legitimately using the part of the runway that they are leasing.

Gimli Dragways wants to use that part of that runway as a run-off area during their races. Strictly, they don't need them for the portion of the quarter mile, but they

do need that extra runway for insurance purposes. They must have the additional runway for safety reasons. They had been using it even though they hadn't leased it.

So that is the area of dispute, obviously, now. On those days when races were scheduled, Dimar happened to be also operating their training school, and Gimli Dragways realized they just could not continue to operate while they were operating the training school at the same time on that disputed part of the runway.

MR. E. CONNERY: Well, the Minister, if he knew the total facts of what is happening at Gimli, he would know that Dimar has a lease for that part of the runway that the Dragways were using that they didn't have a lease for.

But the question in the House was also that Dimar is using property, part of a runway, whatever, it's part of that complex, that they do not have a lease for. And the question was: Couldn't they now use that as a lever in refusing them a lease unless they could accommodate the Dragways?

What we're trying to do is not throw Dimar out. Dimar is probably a good corporate citizen that's doing something. We're trying to accommodate both people, and Dimar is using part of that Gimli area that they do not have a lease for.

HON. J. PLOHMAN: Well, I understand that there is a small area, a taxi way area, that is used. It isn't strictly part of the Dimar lease. If that is what the member was referring to, he's correct that that isn't under lease, but there is a verbal agreement to use that.

The department has been utilizing all levers with Dimar, Gimli Dragways and the Winnipeg Sports Car Club to try to get them to come together to an amicable arrangement and settlement of this issue, but haven't been successful in actually having it resolved. That particular section of the taxiway is not part of the runway as such and is, as I said, being utilized under a verbal arrangement that the legal people are saying is binding.

MR. E. CONNERY: The Minister knows that there is some leverage. Dimar needs more property than what they have a lease for.

I'm allowing the Minister to converse because he won't hear the question.

HON. J. PLOHMAN: I'm listening to you. Go ahead.

MR. E. CONNERY: You're more ambidextrous than I thought you were.

But they are using more land than what they have leased for and they need this land to do - I think it's what they call the skid area - therefore, they need this area to do their work. I'm not against one side or the other, or for one or the other. All I want to see is a resolve to the problem we have there.

Gimli Dragways were there for a long time. These people have put a lot of money into it. The money you're getting out of Dimar I think is \$3,000 a year, which is very insignificant money. I think the Dragways, according to my information - unless you have something different - are paying a considerable amount of money through the Sports Car Club because the

lease is through the Sports Car Club. I think the Dragways are an attraction to Manitoba; they're an attraction to Gimli. My god, the Interlake needs something going for them. I would think in lieu of the fact that there is a Minister from your side who is in Gimli, that you would be trying to accommodate that fact. I can't understand why the Minister isn't applying himself to this particular problem and bringing a resolve about. I'm sure if the Minister applied his persuasion and influence, that we could bring about some sort of resolve to it.

HON. J. PLOHMAN: Mr. Chairman, it has been a difficult problem and there certainly has been a lot of effort by my senior staff to try to bring the parties together, and they have met on a number of occasions to mediate, because really what we're dealing with there is two tenants who are having difficulty over an area that they both require at certain times.

The fact is if we're just talking about the dollars - and I'm not disputing the importance of the Gimli Sports Car Club and Gimli Dragways and the Winnipeg Sports Car Club, it's a very important operation that they have there - but in terms of the amount of money they're paying for the lease of the runway it's even less than Dimar is paying on a yearly basis according to the figures I have - and it's in the information - \$2,400 a year. So they've been getting a pretty good deal there over the years, so we can't look at that angle and saying that they're paying much more.

But there is some progress being made on resolving it. For a short period of time they've gone to the eighth mile race, but they're also looking at reversing their operation, running the other way, and feel that that is a viable alternative and are pursuing that at the present time. It seems there may be some future for that, in the very near future.

So with the progress being made in that area, we haven't stepped in any further to issue any decrease to the leaseholders, that if they don't settle we're going to cancel their lease or something like that. I mean, that is a last resort and we really prefer if they would work this out. It seems that Gimli Dragways is taking a constructive approach to it, and we're hopeful that there's going to be a resolution in the near future.

They believe, as well, Mr. Chairman, that if it was reversed and they were able to work that out, that really it will enhance the whole operation and then - both for drag racing - but also the fact that there would be another business, Dimar, in there using the runway as well, unimpeded, the section that they have under lease at the present time. So we would have two viable tenants instead of one and the Dragways would even be more viable than they have been. So it does look constructive at this particular time, although it hasn't been finalized.

MR. E. CONNERY: I have to agree with the Minister, having two tenants who are contributing something to the government, even though it's not a large amount of money, they're doing something; they're employing people.

I find it rather difficult to believe that there was no understanding that the Dragways were using part of an unleased runway when the lease to Dimar was given.

I have pretty strong difficulty in that. People who are involved should know. I have some concern about the person who worked for Business Development. It's rather confusing because it's two departments we're dealing with; Business Development and Government Services.

The person who worked for Business Development, Mr. Wareing, made the deal with Dimar. I've talked to both groups - Diane whatever her name is - (Interjection) —

A MEMBER: I think you're wrong. If you just blame Charlie McIntyre for it — (Interjection) —

MR. E. CONNERY: Charlie McIntyre? I don't know who in the hell Charlie McIntyre is, but . . .

A MEMBER: He's right there. Take a bow, Charlie.

MR. E. CONNERY: Then he's to blame. Everything needs a scapegoat and I guess Charlie's the scapegoat.

I think that Mr. Wareing, somehow there's a feeling in my bones that there was some kind of a deal made with Dimar that maybe went beyond the norms, so I have a concern. Somebody says well, why should we have to talk to the person who is already using it, we're talking to somebody else now? Now in any common-sense business, that doesn't take place. If you know something's going on, but you're not leasing it to anybody else, so what the heck if somebody uses a piece of property that you're not using; all of a sudden, somebody else comes along and you lease it out without going to that other person first, I find that somewhat very poor business ethics, and I can't accept that fact.

The fact that Mr. Wareing is still around the Gimli area, even though he's left the department supposedly gone to Ontario and is evident in the Gimli area on a fairly regular basis, leaves me with some misconceptions as to what really did take place back there.

HON. J. PLOHMAN: Mr. Chairman, insofar as Mr. Wareing is concerned, we can't control what he does after he leaves the employ of the government. I don't know what he's up to, frankly, and it's really not our concern at the present time, I don't think.

I think what we have to be concerned with is the facts as they arose. It was unfortunate that this situation did develop, that it was an area that had been used, although not leased. As a matter of fact, last October 2nd — (Interjection) —

MR. E. CONNERY: Harry? What was his name? Go ahead, I can listen and talk too.

HON. J. PLOHMAN: No, I have my doubts about that. I think you're stretching it there. Yes, he has nothing to do with it.

October 2, 1985, the President of the Winnipeg Sports Car Club had asked to discuss the purchasing of the area they are now leasing, they said and that was the area they're still leasing at this time. It never even occurred to them that they would need more area than they're leasing and it wasn't delineated exactly. It was just something that had been set up and was fine for their operation and nobody ever bothered drawing a

line on the runway or anything to say this is where your lease ends. They just felt that everything was fine and never felt any need for it, I guess, and management at the park didn't feel there was any particular need at that time. They just felt they were leasing the space; they were getting along fine.

We also were under the impression - our staff, Jim Dunlop was the manager out at Gimli Properties - that the two groups were working together; that Dimar, Ward and James, were working together with Rymarchuk and the other people involved with Gimli Dragways and the Winnipeg Sports Car Club, and that they both knew what the other was doing. So with that impression, the lease was authorized and signed by our Government Services people there on the recommendation of Wareing and on the basis that they believed the parties were working together.

It was subsequent to that they found they indeed weren't working together and there were disputes and that, of course, didn't arise until some time in June. They'd even run a few races in May - May 11 and May 25 - and no problem resulted; but then on June 8th they were going to run again and that's when Dimar told them they were going to need that and that was their property and they couldn't use it, so that's when the dispute really came to the forefront.

It was, it would seem, a misunderstanding about how much space was required by Gimli Dragways and how much they were using. It was an honest misunderstanding at that time, from my perspective - now I don't know what Wareing's relationship was. I've heard the same things, rumours that the member probably has. I don't know what his relationship was with the other businesses there, Gimli Dragways, what his motives might have been. He was there working as a staffperson with the Department of Business Development and Tourism in his capacity as the person in charge of spearheading the privatization of the Gimli Industrial Park. He was to work with the tenants and try to get some idea of whether they were willing to purchase their properties and pull it all together, so that he could make some recommendations to the government.

However, he quit before that was finalized, and we're continuing with that work now, as I outlined to the member's colleagues earlier when we discussed this issue.

MR. E. CONNERY: The Minister has alluded to the fact that there almost could be some conflict between Wareing or with Wareing and his relationship. He said he had heard that there were some comments or some things with Wareing with this deal. Did the department not realize, did nobody in the department before they leased to Dimar not realize that the Dragways were using a piece of the unleased runway?

HON. J. PLOHMAN: My understanding is that Mr. Dunlop, the manager, was not aware that there was any area in dispute. If that extra area was needed from time to time by the Dragways, that had been worked out between the two parties, a cooperative approach.

MR. E. CONNERY: Well, the two parties were only involved for a short while this year. Did Mr. Wareing

not realize or know that the Dragways were using part of that runway?

MR. CHAIRMAN: Are you referring to Mr. Wareing or Mr. Dunlop?

MR. E. CONNERY: Mr. Wareing.

HON. J. PLOHMAN: Mr. Wareing was an employee of another department.

MR. CHAIRMAN: Not within this Minister's jurisdiction.

HON. J. PLOHMAN: I understood that the member was talking about the Government Services personnel as opposed to the Business Development personnel.

MR. E. CONNERY: But we have an overlap in this particular department. We have Government Services and we have Business Development. How did Wareing, who was Business Development then, get involved with Dimar at Gimli if it's under Government Services? How does he relate this?

HON. J. PLOHMAN: Well, I just explained that. The member said that he could listen and talk at the same time a little earlier, and I thought that he would have been listening to my answer. That was that, for the purpose of privatization of the Gimli Properties, Business Development became involved. His job, the Business Development person, was to spearhead that and to bring that whole thing together, working with the businesses there, consulting with them and determining whether they were interested in purchasing and how much they would need. Those kinds of things, initial discussions were all initiated by him. That was his job as the staffperson assigned to do that from Business Development and Tourism.

The Department of Government Services people were there to provide him with support, but they were not in charge of the privatization as such.

MR. E. CONNERY: So obviously, what you're saying is that Wareing was doing something on the part of Business Development, even though Government Services was the department responsible and they weren't doing the checking. So, you've contradicted your statement.

HON. J. PLOHMAN: I haven't contradicted any statement. I said that, well historically, Mr. Dunlop, the manager there, has operated that park, the Gimli Industrial Park. However, just recently with their efforts to undertake the turning over of that industrial park to the private sector, the Department of Business Development got involved - that makes sense, I'm sure, to the Member for Portage - to assist in that effort.

At that time, he was in charge of meeting with the businesses there, and also working with prospective businesses who might want to locate there, Mr. Wareing was. That's how he became aware that Dimar was interested in locating there and initiated discussions with them, was aware from his discussions with Gimli Dragways and with Mr. Dunlop that there was some unused runway. He thought that would be perfect for

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his driving school and, on that basis, they worked out this lease and recommended it to Mr. Dunlop, who recommended it to Mr. McMillan, the director, and signed it on that basis.

MR. E. CONNERY: Well, I can assure the Minister that I probably know more about business and have been involved in more business than this Minister ever can dream of and ever will be involved in. So, I have a hard time to believe that Business Development would do something without very strict knowledge with Mr. Dunlop - is the manager at Gimli? - that they wouldn't be in unison in doing it.

You're kind of intimating that Wareing from Business Development is going out, making a lease and doing something without Dunlop knowing what he's doing, without really conferring with Mr. Dunlop in the sense that, hey, is this a proper way to go. I think the Minister is starting to baffle a little and trying to make excuses for some of the staff.

If Wareing is the goat, then let's lay the horns on him, but there was an error committed. Somebody there had to know, and the relationship that I'm told between Wareing and Dimar leaves us to believe that there was a little bit of skullduggery maybe or whatever. But I'm told that there was a kind of a friendly relationship between Wareing and Dimar, not that I'm opposed to Dimar being there. Anything that draws business to that part of Manitoba, the interlake, we want, but we want both. Right now, both are not succeeding properly because the Dragways cannot succeed on one-eighth mile.

You say, turning it around might work, but my last discussion with Tony Robbins was that they are having some difficulties. They're very concerned that they just might have to pull out of Gimli and, if they pull out of Gimli, then it's gone for that area, and it's been a drawing card with the Icelandic holiday the 1st of August — (Interjection) — well yeah, but I don't chi-kie (phonetic) too well, you know.

HON. J. PLOHMAN: Well, what's happening? Do you have a question?

MR. E. CONNERY: Well, I thought I had asked you a question, but you consulted with your staff . . .

HON. J. PLOHMAN: Mr. Chairman, the member was going on at length, and I just thought he was going to continue for a few minutes. I apologize. I missed the question.

MR. E. CONNERY: Well, we've been asking this all the way through. How do we accommodate the people? And the Minister, I'm sure, has the ability if he desired and wanted to put his act together and say to staff, look, Dimar is using a part of the runway that isn't leased. We want to accommodate both people. I'm not opposed to either one, but I am wanting to see that the drag races continue. These people have been there for how many years, Mr. Minister.

HON. J. PLOHMAN: First of all, the member is making inaccurate statements again. Dimar is not using part of the runway that they are not leasing. There's a small

area of taxiway on the side that they are utilizing under verbal agreement. However, they are leasing all of the runway that they are using at the present time, and they are utilizing part of a runway that formerly had been used even though they hadn't been leasing it by the Gimli Dragways in the past. Winnipeg Sports Car Club has been operating since 1971 out of that area, so that's 15 years now.

As I've indicated, we would like to see an amicable solution to this issue and we feel it is something that should be worked out between the two leaseholders, as much as possible, or alternatives looked at such as Gimli Dragways is looking at. They have not indicated to us that they are going to have to - pull out is imminent. They have said that, if there can't be a solution, they can't operate; obviously that is one of the avenues they'll have to consider. But that is not something that is imminent.

If we were to, as I said, cancel the lease, it would be at least a 90-day notice required for Dimar. That means this year is shot anyway for racing. So the only way to resolve it on a shorter time basis is to have the two of them work something out, or to have this reversal of the dragstrip. That is what they are currently looking at. We will look at what our options are if there is no solution for this season at the Gimli Dragways. We have indeed tried to work, as I said, with the groups and we would hope that there would be a solution.

Insofar as the role of Mr. Dunlop, I'm not going to comment on how easily he took the word of Bryan Wareing. The fact is that Wareing is the fellow who brought Dimar into the area, in terms of additional business for Gimli Properties. He had worked this lease arrangement out and through discussions with Dimar made the recommendations to Dunlop. It seemed to make sense. They had indicated they were working together; there was cooperation between the two parties, between Gimli Dragways. So on that basis, it was recommended for signing.

MR. E. CONNERY: Is the Minister sincerely concerned that both operations work and live at Gimli Dragways?

HON. J. PLOHMAN: I would like to see that they are able to work harmoniously and continuously, yes.

MR. E. CONNERY: Has the Minister read and analyzed the proceedings that the two groups have gone through - the discussions, the proposals and counter-proposals?

HON. J. PLOHMAN: I've looked at those, Mr. Chairman. As a matter of fact, my staff has been involved initially in proposing and working with them on some of the solutions, but they haven't been successful to this time in coming up with a settlement. I'm not going to attach any blame at this time to either of the parties. As I said, I think the most hope that can be held out for the solution to this issue is in the areas that they are looking at now. That is, in reversing runway, the direction that they operate at the Gimli Dragways.

MR. E. CONNERY: Maybe I missed it. Did the Minister tell us how many years Gimli Dragways, as a dragways, has been functioning?

HON. J. PLOHMAN: I don't know as a dragway. The Winnipeg Sports Car Club has been operating out of Gimli since 1971, and I did indicate that.

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I'm advised, Mr. Chairman, that there has been intermittent racing at Gimli. A few years ago, there was some drag racing there; then it stopped for awhile. Three or four years now, they've been operating continuously.

MR. E. CONNERY: How much money has the government through various programs put into, whether it be through the Sports Car Club and, what is it? - WM?

HON. J. PLOHMAN: WSCC?

MR. E. CONNERY: There's some other group. One is the non-profit and the other is the profit club. There's two involved with the sports club and the dragways is the third. How much government money has been put into developing that particular area?

MR. CHAIRMAN: From this department, is the member referring to?

MR. E. CONNERY: Well, there's been a lot of money put into the Gimli Dragways - not to Gimli Dragways, but to the Sports Car Club for developing that facility.

MR. CHAIRMAN: I think the problem with the question is it's not put in a specific reference of this Minister. It might be an appropriate thing for an Order for Return.

HON. J. PLOHMAN: Mr. Chairman, may I just comment. The Department of Business Development, I think through Destination Manitoba, had provided some grants to this operation. Some of the funding that is still available from - and I don't know how much it is, in answer to the question. Again, it is not from the Department of Government Services. I understand some of the funding that was not used yet to this point would be eligible for this project that they are looking at now in terms of reversing their operation.

MR. E. CONNERY: Well, Mr. Chairman, it's very difficult when we're trying to determine something, and always when we get down to the nitty-gritty - well, it belongs to another department. If I was in that sort of business - (Interjection) - well the Minister of Community Services says it's true, but if you don't know what the other left hand is doing from the right hand - and I know the left hand doesn't know what the right hand is doing, and the right hand doesn't know what it's doing either. But surely to goodness there has to be some coordination between departments so you know what's going into that area. If there's Business Development and Tourism money going into it, even though it's Government Services Department, surely you as the Minister would know what's going on there and would be communicating so you know what is happening. I think this is absolutely lunacy as a government if you don't know, in coordination, what's going on in that particular park.

MR. CHAIRMAN: If I could just clarify for the member, the role of Estimates is to scrutinize the proposed expenditures of a particular department and to relate, according to the rules, to the expenditures outlined in

that department's expenditures. There are other mechanisms in the Legislature and ways of getting the information, such as question period, such as Orders for Return.

A MEMBER: You're overstepping your bounds, Mr. Chairman. It's not your job to dictate, Mr. Chairman.

MR. CHAIRMAN: No, I'm just explaining the rules to the member. The Honourable Member for Minnedosa is an experienced member and I think he understands that the rules are - really, in spite of the fact that I have some sympathy with what the member is saying - reasonably specific in dealing with the Estimates. There are other opportunities and I'm suggesting that to the member.

The Honourable Minister.

HON. J. PLOHMAN: Mr. Chairman, the member has made certain statements that I should know exactly how many dollars Destination Manitoba might have given to one tenant at Gimli Industrial Park. We have 20, 30 or more tenants at Gimli Industrial Park and I don't know how each one operates in terms of where they get their money from. The suggestion is totally ridiculous. Even if I had been privy to the precise dollars that this club had received over a number of years from another government program, I certainly would not remember it in detail at this point to provide it to this Committee. Certainly, even with a photographic memory, which I know the Member for Portage doesn't have because, in the same way, he asked me about how long Winnipeg Sports Car Club had a lease at Gimli. I said, 1971 and, two minutes later, he asked me it again.

MR. E. CONNERY: Did you say that the Dragways was from 1971 or the Sports Club?

HON. J. PLOHMAN: I had answered the question.

MR. E. CONNERY: What did the Minister say?

HON. J. PLOHMAN: I had answered the question. The Winnipeg Sports Car Club had that lease since 1971. The member asked that again a few minutes later.

MR. E. CONNERY: I asked you what time the Dragways went in there, so you're trying to baffle me that I don't know what you're saying. But the Dragways, you did not answer. You said, the Sports Car Club. Let that be on the record. Now you said, I didn't understand what you said. I did understand. It was the Dragways that I was asking.

HON. J. PLOHMAN: I think that statement speaks for itself.

MR. E. CONNERY: That's right. The Minister's out to lunch.

MR. CHAIRMAN: The Member for Lakeside.

MR. H. ENNS: Mr. Chairman, through you to the Minister, I just know that, since the time that the

province undertook the responsibility for the Gimli facilities, which was of course a former military base, the department has always had the onerous responsibility of somehow or other trying to create sufficient activity of one kind or other at that facility due to the responsibility that the department has felt to the surrounding community of Gimli and simply to make use of the facilities.

I think the bottom line to all of this - and I don't think it should be a question of the Minister or the Member for Portage la Prairie squaring off at each other, surely, the question is, how can we accommodate both? That really is all what the Member for Portage la Prairie is asking.

HON. J. PLOHMAN: I've answered it.

MR. H. ENNS: The Member for Portage la Prairie is asking the Minister to use his good offices, because he is the Minister responsible for the facility, for Gimli Park, the Department of Government Services. I sometimes wonder just why it is that we - I now say, we - when I was Minister, got some of these responsibilities that were, in some instances, passed on to us by the federal authorities moving out. But nonetheless, that is the question.

I think, without too much sparring or without too much gamesmanship being played here, the question surely ought to be: how can we facilitate both of these operations, the drag races that have had a fairly long history of useage of that facility and any other or new tenant that has come in? I think what the Member for Portage la Prairie is really asking and what the Opposition asks for this Minister is to step in and say, okay, we have a problem. Let's resolve the problem. We need both.

As far as I know, we are still underutilized at the base. There are still additional opportunities available, and I congratulate the Ministry and the government and the staff in every effort and every intent that they do to find new tenants, because every new tenant we find helps defray some of the ongoing costs that government bears in that facility and adds to the economic viability of the industrial site and helps the community of Gimli.

So I think, Mr. Minister, for a moment you should allow yourself to back off from the politics of it, and simply undertake to try to resolve the issue. It's such a natural. I'm not a drag-racing fan. I don't really know a great deal about drag racing, but here we have an abandoned airstrip. It seems to be, you know, an ideal use of a facility, other than when Air Canada runs out of fuel in their airplanes from time to time, you know.

So for some reason or other, we should be pleased that we have a group of enthusiasts who enjoy drag racing and they come out to the facility and use it. They have a history of using it. It seems to me that the department ought to be able to accommodate both.

That's, I think, really what the Member for Portage la Prairie has been asking the Minister about. I'm a little disappointed that the Minister wouldn't recognize it in the same tone. I appreciate the fact that maybe because it's coming from a feisty Member for Portage la Prairie who takes on the Minister at full charge all the time, that's fair game. But surely, the issue is, let's

accommodate both. If the Minister can tell us that you can do that, staff can tell the Minister that he can do that, then we've resolved the issue.

HON. J. PLOHMAN: Mr. Chairman, the Member for Lakeside has added in a low key and reasonably sounding voice his concerns, and I have done that on a number of occasions here. As a matter of fact, I have answered that question and told the member of our concern, the Member for Portage. But I'm not so certain that he's just trying to expedite this matter. He seems to me, as the member has said, being a little feisty about it. So, we continue the discussion.

I have said clearly that I'm concerned about it, and I've said we have made efforts up to this point. There seems to be progress being made at the present time that would see . . .

MR. CHAIRMAN: Excuse me, could we have a little order, please?

HON. J. PLOHMAN: . . . both operations on the runway. That's what we're looking for, and we are very optimistic that is going to work out.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: I want the Minister to know that I don't know the people involved on either side. I say that with all honesty. I have never met personally either one. I've talked to them on the phone. It first came to our attention when it was brought to our attention, the circumstances with the Dragways. This has been some time ago that we got into this discussion. So it's not a case of one is a friend of mine and so on, I'm trying to support him. I don't know them, and I have no affiliation. I wouldn't know them if they walked into this room.

But I do think that the Minister should be concerned that something at Gimli could be worked out. I'm sure if I was the Minister in charge - and hopefully one of our side will be the Minister in charge - and I can assure you that we would sit down in all honesty with both sides and, if there had to be some pressure put on one side, that we would work something out. Anything can be worked out if there is a will and a desire to work it out. If there is just, well, what the heck, why get involved, I don't think this is a good attitude. The Minister should say to himself, this thing has gone on long enough. We haven't been able to resolve it between staff and the two parties involved, and personally get involved. Has the Minister got personally involved with the individuals?

HON. J. PLOHMAN: Mr. Chairman, as soon as this matter came to my attention, I asked the Deputy Minister to personally get involved and to work with both sides. The Deputy Minister is sitting here listening to all these idealistic statements about where there's a will to do something, that's all it takes to make it happen type of thing. He's tried very hard to bring the two sides together, and he hasn't been successful in getting them to come to an agreement up to this time, much to his frustration, I'm sure.

But we have continued our efforts. I haven't brought them both into the room personally, but I can tell you

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the Deputy Minister has done that. He's worked with them, and we believe that, at this point, it is better to have them work directly together and, if they cannot resolve it, to look at the alternative which is the alternative, and a pragmatic alternative, I must say, that Gimli Dragways is now looking at the Winnipeg Sports Car Club. I think that one has got the most potential to ensure that they both can operate unimpeded over a longer term, and I would support that effort; I think that's where it has to go.

On the other hand, if it's too expensive, if it's just not feasible, then we will look at what the alternatives can be for future years to ensure that we have as viable operation there as possible, and certainly it's not just the members of the Opposition who are concerned about the operation of the Gimli Industrial Park. This government is very concerned about it and is doing as much as it can to ensure that it is operating to the fullest extent possible.

MR. E. CONNERY: I have to agree with the Minister and both parties that I've talked to have said that the staff have bent over backwards in attempting to resolve the issue. There's been no condemnation on staff, outside of my concern about Mr. Wareing, but Mr. Harbottle and all the other people involved, all the comments I've had from both sides have been good. Not disrespecting the Deputy Minister, maybe the Minister with his good looks and his persuasion and personality could now get involved and get both sides to agree to some sort of amicable resolve of this problem. It's a serious problem.

The Gimli drag people have spent a long time in developing the dragway. They've been there, I don't know how many years, the Minister doesn't know how many years, but they've been there many years and have developed something that is fairly good in the community; it's been part of the August 1 long weekend and I think the Minister now should say, okay.

We've done this on our farm. I leave it up to the staff to a certain point, when a resolve can't be reached, then you jump into the fray yourself and do the best you can. You might not always succeed, but I sometimes think the Minister's presence would lend itself to some sort of persuasion on the two sides to resolve, and maybe some pressure on some side.

MR. CHAIRMAN: We now return to Item 3.(c) Office Equipment Services - the Member for Ste. Rose.

MR. G. CUMMINGS: One question of a general nature before I ask specific questions in this area. Is there a government policy regarding putting political literature on government property, beside the fact it's not in good taste?

HON. J. PLOHMAN: Mr. Chairman, I understand that there is a policy that there's to be no political advertising on any government property; that's my understanding. The induction, I understand, of community colleges when there's these mock elections or their own elections held and they bring in and they obviously bring in politicians to speak to them, but that's it; that's the policy.

MR. G. CUMMINGS: That should then, I presume, include government vehicles.

HON. J. PLOHMAN: I don't know if it applies - bumper stickers or what?

MR. G. CUMMINGS: Well, that type of partisan advertising.

HON. J. PLOHMAN: Mr. Chairman, the Member for Ste. Rose has asked a question that has never been asked before, Charlie McIntyre tells me, that there has never been a problem raised with regard to bumper stickers or something else on government cars by individuals who have the car assigned to them. We'll have to look at that and review it.

MR. G. CUMMINGS: I guess I would suggest that there seems to me to be at least one government issue car that is carrying a partisan sticker and it doesn't say P.C.

HON. J. PLOHMAN: What's there for me to say?

MR. CHAIRMAN: Look into it, I don't know.

HON. J. PLOHMAN: I already said I was going to look into it.

MR. G. CUMMINGS: I would appreciate it. It's probably something that we all should practice. Once we are elected, we become representatives of all the people of the province, regardless of their . . .

HON. J. PLOHMAN: Are you talking about an MLA or a Minister?

MR. G. CUMMINGS: I'm talking, I believe, Ministerial. It's a government vehicle.

MR. CHAIRMAN: The Minister of Economic Development.

HON. L. EVANS: Mr. Chairman, you may want to check this, but my understanding was that the Lyon administration - and I'm not criticizing, I'm just saying a fact - brought in the policy, when they outlined the charges to be used of a vehicle by a Minister, that the vehicle could be used during an election and for political purposes; and I can tell you, when I inherited my car from Mr. Minaker, it was filled with Minaker Conservative election literature, but that was my understanding. I don't think a Minister should use his or her car, but I believe that policy was put into effect in 1978 or thereabouts.

MR. CHAIRMAN: Mr. Minister.

HON. J. PLOHMAN: Mr. Chairman, just to clarify further on that, the policy during the election is that the Ministers have to keep track of the mileage that takes place, that they incur during the election-related activities, political activities during that time, and that is paid for usually by the campaign as a campaign expense. Personal mileage is paid for by the individual and Ministerial mileage is paid for by the government; but that does not address the issue of public display of literature.

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I don't know whether the members would want to get that sticky on that issue, insofar as Ministers are concerned or not, during an election or at any time, but that is a matter I will review, as I've indicated.

MR. CHAIRMAN: The Member for Ste. Rose, remembering that we are on Item 3.(c) Office Equipment Services.

MR. G. CUMMINGS: No, I'm not remembering that, Mr. Chairman.

I guess, one final point in the area that I just raised. It seemed to me that's rather unusual, considering that the Opposition MLA's had their telephone credit cards removed the day the writ was dropped. MLA's functions do not cease because a writ is dropped and neither does a Minister's function cease when a writ is dropped. If that in fact is the case, then I would consider it to be some inconsistency in the way in which we apply the rules, depending on whether you're on government or Opposition sides.

HON. J. PLOHMAN: Mr. Chairman, as off-topic as we are, I understand MLA's cease the moment the writs are issued. They no longer exist, but Ministerial responsibilities continue, and I also said very clearly that the mileage has to be differentiated during elections, that mileage used for political purposes and that mileage that is used for government work. It is paid for from different sources. The government does not pay for political related mileage.

MR. G. CUMMINGS: I stand corrected on the use of the phones, Mr. Chairman.

My question in the Office Equipment area is also related however. In the recent changeover that the province changed the letterhead to a stylized buffalo - and I can't recall the precise date, that is not important - does the department have any record of what kind of cost that may have incurred for the province; in other words, the material, the old letterheads, or the reprinting of letterheads, was there any additional cost incurred at that time?

MR. CHAIRMAN: I would suggest the member could probably ask that question more appropriately under the Department of Cultural Affairs. It's Queen's Printer, and those Estimates are going on, so I would suggest that maybe you could get that there.

The Member for Ste. Rose.

MR. G. CUMMINGS: We're talking here about supplies, paper, ribbons, etc. This department pays for the paper.

MR. CHAIRMAN: But not the printing. The printing is under the Queen's Printer.

MR. G. CUMMINGS: The paper comes printed, I assume, when it comes to the department. Was there no additional cost to this department?

MR. CHAIRMAN: The Member for Minnedosa.

MR. D. BLAKE: Mr. Chairman, on a point of order. I don't think it's the Chairman's job to interpret the

questions that the member is asking. It's up to the Minister; if he doesn't want to answer it, he doesn't have to answer it. But I don't think it's up to the Chairman to interpret the question, whether it's relevant to the question we're on or not.

MR. CHAIRMAN: I would suggest to the Member for Minnedosa that my role as Chairman is to interpret the rules. I have been interpreting the rules and explaining them to the members where there seems to be some discrepancy in the understanding of the rules and the line of questioning.

Where it does not relate specifically to this department and is found under another department, I've been explaining that to the members so they can get the information where it is appropriate.

I think that is my role as Chair and I think the Member for Minnedosa is well aware of that.

MR. D. BLAKE: Is the Chairman telling me I don't have a point of order?

MR. CHAIRMAN: Yes, I'm telling you that you don't have a point of order. Your opinion is not a point of order.

The Member for Ste. Rose.

MR. G. CUMMINGS: Are you telling me that I can't ask this question here or did the Minister tell me that there is no cost to the department?

HON. J. PLOHMAN: Mr. Chairman, the cost of printing the stationery is all done through the Queen's Printer, which is in the Department of Cultural Affairs, as the Chairman said.

When they talk about paper here, we're talking about copier paper for the copy machines.

MR. G. CUMMINGS: Can I assume from the way the Supplementary Information is written up here that we have service people employed under this section?

HON. J. PLOHMAN: Yes, Mr. Chairman, I understand there are seven technicians in this area.

MR. G. CUMMINGS: Then can we assume that they are qualified to do warranty coverage on large numbers of equipment that no doubt we purchase and would have warranty coverage?

HON. J. PLOHMAN: My understanding is that we would not normally do warranty work, that the equipment would go back to the supplier for warranty work.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. D. ROCAN: Under Office Equipment, Mr. Chairman, if a secretary in our office wanted a particular type of typewriter, could she order that particular typewriter by name and model, or how does this system work? How do they go about getting a typewriter?

HON. J. PLOHMAN: Mr. Chairman, the secretary could not purchase the individual typewriter, make and model that she wanted. If she was getting it from equipment

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services, what she would do is get one of the models that has been purchased in quantity and by tender on the basis of overall lifetime cost as calculated in the tender documents and would then be allocated one of those standard typewriters.

MR. D. ROCAN: Those standard typewriters, are there certain specifications that are required for a certain piece of equipment?

HON. J. PLOHMAN: Yes.

MR. D. ROCAN: Is it possible, then, that the specs could be drawn up?

MR. CHAIRMAN: The Member for Minnedosa.

MR. D. BLAKE: I assume office equipment includes telephones, Mr. Chairman. — (Interjection) — We're under Office Equipment. I just wanted to question the Minister on the new telephone exchange that we put in service a few months back.

HON. J. PLOHMAN: 3.(f) is the appropriation dealing with that.

MR. CHAIRMAN: If the member would check 3.(f), it's Telecommunications.

MR. D. BLAKE: How long is that going to take us to get there?

HON. J. PLOHMAN: As long as you want it to take, Mr. Chairman.

MR. D. BLAKE: I want to get into the other committee because I want to ask about . . .

MR. CHAIRMAN: Would the Minister entertain a question on 3.(f) at this point?

HON. J. PLOHMAN: I would like some incentive to move quickly along, Mr. Chairman. How about your colleagues; do they have a lot of questions on the other matters in between. Let's move it along here.

MR. D. BLAKE: If we do telephones now, then we won't have to do it later.

HON. J. PLOHMAN: I'd like to finish the Estimates so I can prepare for a long winter of sitting.

MR. D. BLAKE: Did you make your preparations for the committee when you finish your Estimates?

HON. J. PLOHMAN: Oh, yeah.

MR. D. BLAKE: So we can move it along a little better.

MR. CHAIRMAN: I'm wondering if we can have some order. The Minister is saying he would prefer not to go to 3.(f) and Rule 64(2), as the members are aware, says we will deal with the items specifically.

We are still on 3.(c), then.

3.(c)(1) - the Member for Turtle Mountain.

MR. D. ROCAN: Thank you, Mr. Chairman. I wonder if the Minister could clarify. There's a statement in his Supplementary here under Office Equipment Services. It states rental rates include replacement capital, which results in over-recovery. Could the Minister elaborate a little bit more on this one?

HON. J. PLOHMAN: Mr. Chairman, the capital costs of purchasing this equipment is not in this appropriation. It's in another appropriation and yet we're recovering on a full-depreciated value of the individual pieces of equipment, so we recover more than we're spending in this area because the capital dollars are in a different budget, different section.

MR. D. ROCAN: Mr. Chairman, on that same page, we've got Equipment Replacement; we've got a thousand of them. Does the government pay or was this covered by some sort of contract?

MR. CHAIRMAN: Excuse me, could we have some order please? I cannot hear the member here.

The Member for Turtle Mountain.

MR. D. ROCAN: Thank you, Mr. Chairman.

On that same page, we note here where it's got Equipment Replacement, 1,000 units. Does the government pay or was this covered by some sort of contract?

HON. J. PLOHMAN: Mr. Chairman, it's just 1,000 of pieces of equipment, whether it be typewriters or dictaphones or whatever, that were handled by this particular branch last year. That's what's outlined there, replacement pieces of equipment. They are paid for from capital and handled through this branch.

MR. D. ROCAN: On the same section, the electronic typewriter, is there one firm which is a major supplier of these electronic typewriters? Do we have a firm that we go to specifically like IBM or whatever?

HON. J. PLOHMAN: I'm just looking for the figures, Mr. Chairman, but I understand that Olivetti has received most of these contracts in this area. I don't have the exact numbers in terms of proportion, but they have been coming in as the most cost-effective for the kinds of typewriters that are required.

MR. D. ROCAN: Mr. Chairman, does MTS fill any contracts or are any of these tenders filled by MTS?

HON. J. PLOHMAN: I'm advised they're not in this area in the last year at least. Perhaps there has been some in the past.

MR. D. ROCAN: Do they supply any other type of office equipment like we notice in the phone book where they sell computers and . . .

HON. J. PLOHMAN: Well, I'm not certain, and that comes under the Information Management section of the Department of Finance.

MR. CHAIRMAN: (c)(1) — pass.

(c)(2) - the Member for Ste. Rose.

MR. G. CUMMINGS: The standing offers procedure, how does a company get on that list? Is there an annual tender issued?

HON. J. PLOHMAN: Mr. Chairman, does the member care to clarify for what? For office equipment standing offers?

MR. G. CUMMINGS: I realize there would be four various pieces of equipment. My question is related to the procedure that there may be people out there who have equipment and services to offer to the government and may not be able to take advantage of the opportunity unless the process is there for them to do so.

The standing offers process, I wonder if the department could explain how the people get on that list if, in fact, that's how it's handled.

HON. J. PLOHMAN: Well, the invitation to submit a standing offer is sent to all known suppliers or suppliers can indicate if they're interested. It does, of course, mean that a new supplier, not knowing the rules or the procedures, may be left out initially until they are aware of the procedures. That's one of the areas where we have to put some greater emphasis on providing greater information to the public on how to deal with government. We are going to be putting some emphasis on that in the coming year but, at the current time, it's sent to all known suppliers or those who indicate an interest.

MR. G. CUMMINGS: If a particular supplier is not successful over a number of years, does their name automatically drop from the list?

HON. J. PLOHMAN: Well, Mr. Chairman, this is done through Purchasing and we're really not into Purchasing yet but, in any event, as long as they return the tender, whether it's a low one or not, if they continue to demonstrate interest, they are maintained on the list.

MR. CHAIRMAN: Do members care to move through (c) and move on to (d) which is Purchasing?

(c)(2) - the Member for Ste. Rose.

MR. G. CUMMINGS: I think the Minister has a better grip in getting along with us in terms of explaining the workings of this department than having the chairman intervene to point out that we're one line out on our questions. I appreciate the Minister's attitude up to this point. I think we can continue to get along quite well if we don't get into a disagreement with the chairman too often.

MR. CHAIRMAN: The Chair goes by the rules and if the member is questioning the decision of the Chair, the Chair determines the rules of order. Now Section 64(2) says very specifically that we deal with the line item under discussion and all debates should be relevant to that line item.

The Minister expressed some inflexibility when he was requested before by another member to deal with

a line item. I was just assuming that rule would stay and we would deal with the line items as we are dealing with them.

If it's agreeable to the Minister and the members, I am the servant of the committee, so I am easy. If the Minister wishes to deal with Purchasing items under (c), we can deal with Purchasing items under (c).

HON. J. PLOHMAN: Quite frankly, Mr. Chairman, I don't prefer that. I think we have been very flexible, but I think we should try to adhere as much as possible to the line-by-line so that it facilitates our work and we actually know exactly what we're dealing with. It is helpful for the staff and it's helpful for me.

MR. CHAIRMAN: (c)(2)—pass; (c)(3)—pass.
(d) Purchasing - the Member for Ste. Rose.

MR. G. CUMMINGS: There's a fairly large complement of staff in here. Can we have a little bit further breakdown of their responsibility? I see 11 technical staff in Purchasing. What is the object of technical staff in that department?

HON. J. PLOHMAN: Mr. Chairman, I'm advised that this is a technical classification. There's actually 10 there, not 11; 11 last year. There's one reduction this year. There are about seven purchasing agents and then three who are involved in writing tender specifications.

MR. G. CUMMINGS: In the tendering process communications referred to as a new initiative at the bottom of the page in the additional notes, Page 48, on supplementary notes here, can the Minister explain what is meant by this department, particularly when it goes on to talk about "a greater public understanding of material requirements on how to sell the government"?

I apologize for being skeptical, and this will bring a smile to the Minister of Education, but what in the hell are we doing here?

HON. J. PLOHMAN: ". . . sell to the government." I think the member missed a word conveniently when he read it. He said, ". . . how to sell the government," "sell to the government."

I think the member was pointing out a few minutes ago that he had some questions, and I think it's from those questions quite evident that individual companies and small businesses in this province, particularly when they start up, may not be aware of the tremendous potential that they have to supply the government for various needs.

And because they aren't aware, either because they're a new business or just have not ever been made aware as to what the rules are and how to ensure that they get the best possible opportunities in terms of purchasing or selling to the government, we feel there's a need to provide greater communications or information mediums to ensure that businesses are aware and that the public is aware of what they have to do to be competitive and be able to supply the government.

It involves such areas as regional purchasing. How could a small business out in an area in the North or

in remoter areas of the province? How could they be made aware of what kind of potential there is there from various government departments and agencies? And what they in fact have to do to ensure that they are considered in a timely way and they meet the rules and they know what the various needs are of the government?

I could go into some of the detail as to how that might be carried out, but that is being developed at the present time through the Communications section.

I think it's an outreach really. It's not an effort to sell the New Democratic Government, as the member may have been insinuating when he asked the question, in any way to be political. What it is is an outreach to make the businesses aware of this tremendous market opportunity that is there.

MADAM SPEAKER: The Member for Assiniboia.

MR. R. NORDMAN: Mr. Chairman, to the Minister, what means do we have within the Government Services of testing, that we are getting whatever the tender specifies? Just a case in point, say for instance, in a soap that you were supposed to get, say, 30 percent of pine oil and I know that pine oil is damned expensive. Do we have any means or do we ever check to see if - I'm just using this as an example - whether we're actually getting that?

HON. J. PLOHMAN: Mr. Chairman, there is some pretesting done by the department in fire-proofing materials and a few others, I'm advised. The Ward Lab does some testing, Manitoba Research Council. Manitoba Highways Lab has done some testing of solvents and paint, things like that. There's no consistent system in place to ensure that all products purchased are meeting specifications.

The department advises me that they rely on other departments, the client departments basically, who are using the products, to raise concerns if they feel there is a concern then the department would follow these up with the supplier directly. If it wasn't satisfactorily resolved, we'd just take them off the lists in terms of future supplies.

MR. R. NORDMAN: So in other words, Mr. Chairman, unless one of our staff complains about a product, nothing happens? We have no assurance that we are getting what the specifications call for.

Are we more interested in price than we are in quality? As, for instance, the toilet tissue that is being used in this building today, I imagine it's price is what you're concerned with in this. Just take a look at it and I'll guarantee you that any one of us who is using that toilet tissue today - that is being provided in this building today - will use about four times as much as what you would if you were using a better grade of toilet tissue.

HON. J. PLOHMAN: Well, Mr. Chairman, there has to be minimum specifications, but after that the price is a major concern, I agree. I realize what the member is saying. It's a difficult balance.

MR. R. NORDMAN: Well if you pay for s—, that's what you get, right?

MR. CHAIRMAN: I will pass that unparliamentary term and return.

MR. R. NORDMAN: Well, it's no worse that what one of our members said in the House today and didn't get called by the Speaker, so you know . . .

A MEMBER: It's no worse. I'll vouch for that.

MR. R. NORDMAN: Everybody does it. But if that's what you pay for, that's what you get. You pay for what you get; let's put it that way, okay?

HON. J. PLOHMAN: I think I've answered in terms of minimum specifications that are outlined and the products that meet the minimum specifications are considered and price becomes a controlling factor, yes.

If there is a problem and if the particular product really is not cost-effective, then the specifications could be rewritten to ensure that it cannot be successful in terms of the next bid.

For example, you might want to specify two-ply, in the example that the member has given us. But those are things that are considered on the basis, generally I would think, of complaints that are brought forward. If people have specific complaints about a particular product, then we will deal with those.

MR. R. NORDMAN: Getting back to my original question, we really don't have any means of checking on the specifications, that the specifications are met, unless we get a specific complaint.

HON. J. PLOHMAN: Not in a blanket way. I can tell you, though, that would be very expensive to have that kind of facility and capability, I believe. Secondly, I think a supplier who doesn't meet the specifications that he has tendered for, is taking a pretty big gamble as well because they stand to lose an awful lot of business if someone does complain and it's found to be true.

MR. R. NORDMAN: Thank you.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. G. CUMMINGS: Does centralized purchasing also imply warehousing?

HON. J. PLOHMAN: Mr. Chairman, there's a warehouse section under 3(e).

MR. G. CUMMINGS: Further to that, I notice in this department there is no travel allowance. I wonder if the expertise gained by some of the other provinces in purchasing for government use - and there must be virtually the same demands - if there's communication with any of our neighbouring provinces to bring together that information and if it would be the people working in this department that would in fact be involved in that exchange of information.

HON. J. PLOHMAN: Mr. Chairman, the staff have interchanged information and have visited and consulted with other provinces at a number of different opportunities, and visitations from them as well.

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Of course, just to comment about the member's statement about travel, that again as I indicated earlier, is all under one appropriation where we discussed out-of-province travel. The member asked questions about that the other day. That is for the whole department and covers this as well.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. D. ROCAN: Thank you, Mr. Chairman.

Can the Minister indicate if the department maintains a list of suppliers and when a department has a request for a given piece of equipment, if I could ask the Minister if this is the way the system works, presumably, the suppliers of that equipment would receive an invitation to tender from the Purchasing Branch and, on that basis, would submit a tender if they so desired?

HON. J. PLOHMAN: Yes.

MR. D. ROCAN: So how does some small businessman go about getting on that list?

HON. J. PLOHMAN: Mr. Chairman, there are many possibilities there. It's something we want to streamline, too, to ensure that there's one number so that everyone knows what it is. But they can contact Purchasing, they can contact my office, the Deputy's office, or a number of senior staff people, and will be directed to the appropriate person. The Purchasing Branch is the one that would follow up and ensuring that an individual who represented a company had put forward his or her company's name, that they indeed would be on the list and would receive an invitation to tender.

MR. D. ROCAN: The Minister has indicated that the way a person is to get on that list is to write him a letter, to the Minister personally, asking that their name be placed on the list, right?

HON. J. PLOHMAN: No, I didn't say that's the best way, although if an individual did that, I would forward it on and it would get to the right place. But they can contact, by phone, Purchasing directly.

MR. D. ROCAN: Once on that list, what is the criteria for dropping a supplier's name from the list?

HON. J. PLOHMAN: Mr. Chairman, I had indicated earlier in a similar question, that if an individual company did not reply three or four times - or, I didn't say that - but a number of times did not reply to an invitation to tender, then they would be dropped from the list.

MR. CHAIRMAN: (d)(1)—pass - the Member for Ste. Rose.

MR. G. CUMMINGS: If a person with a new product was to approach the department, on what criteria, other than a CSA approval, would that be the only standard of excellence that would be applied to a product? I can think of one product in particular that I know the supplier would like to be part of the Government Services market and are trying very hard to put their product before the proper officials.

Is there anyone in the - and this I guess comes down to a general question - is this the department where someone with a product of that nature should bring his product in order to explain it and have it evaluated as to whether or not it would be a valuable product to the department?

HON. J. PLOHMAN: Mr. Chairman, unless the product is used by the Government Services Department itself, they're better to - and that's where the department refers them - they're better to go directly to the department manager, the client department, the manager that uses that particular kind of product, or could use it, and they could demonstrate it at that point and explain the merits of it. Then the client department, if it was sold on that, they would then change the specifications for what their needs are and send that over to the Purchasing Department of Government Services. Then Purchasing would include those specifications on future tenders that are required.

That is the way it would normally work for new product lines of something of an existing material or commodity that is used by a department.

MR. G. CUMMINGS: I wasn't going to ask any more questions in this department but if it were a product that Government Services itself would use, where in the department would they come?

HON. J. PLOHMAN: Depending on the kind of product it is, if they came to Purchasing, or to myself, or the Deputy Minister, they would be referred to the particular section of the department that uses the product they are coming in with.

MR. CHAIRMAN: (d)(1)—pass; (d)(2)—pass.
(e) Material Supply - the Member for Ste. Rose.

MR. G. CUMMINGS: The inventory is of a considerable size here. Is there a good rollover of inventory or has the department acquired a lot of material it possibly doesn't need anymore?

HON. J. PLOHMAN: I understand that the inventory over the last couple of years has dropped due to automation, which has helped in a more efficient operation in this area. I'm sure those products that are used most often are kept in stock and those that aren't are not stocked to the same extent.

You will notice, Mr. Chairman, that there's a drop in the inventory of \$70,000, from 3,147,700 to 3,077,700. That's the total for the year. The inventory at any given time is about \$600,000, the inventory kept on hand.

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

MR. D. ROCAN: In that Supp. on Page 50, it says provides consultative services. I'm just wondering to whom.

HON. J. PLOHMAN: Other departments, primarily, users of the materials.

MR. CHAIRMAN: (e)(3)—pass; (e)(4)—pass.

(f) Telecommunications - the Member for Ste. Rose.

MR. G. CUMMINGS: The phone system in the department, or within the building, as I understood when the Member for Minnedosa asked the question earlier, it seems that we've gone perhaps in reverse in the manner in which the system is working in the building. Is there a switchboard problem in the government switchboard, in getting office phones to roll over to second numbers? Is it a physical problem? There seems to be a problem correcting it, from what I understand the status was a couple of years ago. Is there an ongoing problem? There certainly is with some phones in the building.

HON. J. PLOHMAN: I understand this is new technology that MTS is currently putting in place. I thought that the members would be interested in that. Maybe when the committee sits next time, they could ask Gordon Holland about those issues.

As I said, this is a new system that has been installed and has excellent rollover capabilities but not necessarily always working in some areas. If that's the case, then a complaint should be made to our offices and we will have MTS pursue that immediately.

MR. G. CUMMINGS: The reason I raise the question here is not for any other reason than to point out that numerous concerns have gone forward from people in our caucus and the answer has been . . .

HON. J. PLOHMAN: To whom?

MR. G. CUMMINGS: To the communications people responsible for this building. The answer has been that it's almost an insurmountable problem even though it was originally a capability that the system should have had. As a matter of fact, to call from the Minister's office to my office, if I'm not in my office - the call did not go through on one occasion when the Minister's secretarial help phoned my office.

The complaints have gone forward and what I want to know is if in fact we have a switchboard operation now where it's possibly less effective than the old system that was in this building prior to the implementation of the new equipment?

HON. J. PLOHMAN: I think, Mr. Chairman, the best way to get these complaints registered to a central location would be to call 4414 and Mr. Harbottle will be quite aware. Clare Booker, my special assistant, will be equally happy to take the calls. I really think the Deputy Minister's office would be a nice clearing house for this. His staff would be able to log these complaints, if there are such things happening. The Deputy Minister informs me that he isn't aware that these kinds of concerns were being made. We have to receive that information, obviously. If the member would give the specific name of staff in Telecommunications he's been dealing with, we can check it out.

MR. G. CUMMINGS: I don't have the names on the tip of my tongue at the moment, Mr. Minister, and I guess it's not my objective to burden anybody in the staff.

HON. J. PLOHMAN: That's not the intent why I asked for that. It would simply be so that we could follow it up.

MR. G. CUMMINGS: My concern is the equipment, however. Yes, I'll give further information to the Deputy Minister. I've been patient, I believe, since May, but I think it's time the problem was either thoroughly cleared up or thoroughly aired. That's why I want it on the record here that there is a problem out there and that there's been some communication from myself or on behalf of myself at least to the central switchboard where phones do not roll over. But of course, they are pleading overload and that they cannot be checking these continually.

One comment further if I could, Mr. Minister, that the communications system, where is it centred? Where are the central operators? Which building are you operating out of?

HON. J. PLOHMAN: I'm not sure whether the member asked where the Telecommunications staff are located that look after this whole area of government telephones or whether he's asking where the switchboard is. If he's talking about that, these are all automated switches for calls now, except for incoming WATS which are switched through the Norquay Building.

MR. CHAIRMAN: The time being after 10:00 p.m., what is your wish?
Committee rise.

SUPPLY - CULTURE, HERITAGE AND RECREATION

MR. CHAIRMAN, C. Santos: Committee please come to order. We have been considering the Estimates of the Department of Culture, Heritage and Recreation. We are now on Item No. 1.(f)(1) Administrative Services: Salaries 1.(f)(2) Other Expenditures.

1.(f)(1)—pass; 1.(f)(2)—pass; 1.(g)(1) Personnel Services: Salaries; 1.(g)(2) Other Expenditures - the Member for Kirkfield Park.

MRS. G. HAMMOND: Mr. Chairman, I wonder if the Minister - this probably came under the Executive Support. I apologize, but I wonder if I could bring it up under Personnel Services since I'm considering it as an Affirmative Action.

Sonia Kennett was appointed to the position of EA commencing at a salary of \$29,920.00. I noticed that the salary range is from that figure to 34,005, and I wanted to know if the Minister would be able to tell me if all executive assistants start at that particular salary range?

MR. CHAIRMAN: The Honourable Minister of Culture.

HON. J. WASYLICIA-LEIS: Mr. Chairman, not all executive assistants start at the beginning of that salary range. It depends on previous employment and experience. Generally, though, the case is that executive assistants, as is the case with most employment, start at the beginning of the job classification.

MRS. G. HAMMOND: I wonder what previous experience for the position of an EA would be valuable in raising them to a higher rate?

HON. J. WASYLICIA-LEIS: The hiring of every EA is done on the circumstances of the person and the previous experience, background and where they're coming from, on an individual basis. By and large, as I said, the rule is that, unless there are particular circumstances, the person starts at the first step of the EA classification.

MRS. G. HAMMOND: I wonder if the Minister could explain what is happening in her department in relation to the Affirmative Action Program?

HON. J. WASYLICIA-LEIS: I'm pleased to report on the activities of this department in terms of Affirmative Action. In fact, I think this department has one of the best records in terms of Affirmative Action for women, the disabled, visible minorities and Native people.

Specifically, this department - and I'll try to summarize this as quickly as possible - has made information sessions available to all staff with about 85 percent of staff attending; has held a Management Information seminar with others planned; has circulated the agenda regarding Affirmative Action to all staff; has named an Affirmative Action contact person in each branch; has distributed widely articles, brochures and so on regarding Affirmative Action; has given special consideration to target group applicants in competitions; conducted outreach recruitment; reviewed all vacancies for employment barriers and removed where possible; recruitment of STEP handicapped students; selected and screened criteria to avoid qualification barriers; reviewed all employment related policies and practices in the department and for the removal of barriers to equitable treatment of staff; reviewed all class specifications unique to this department and recommended change where necessary; reviewed all personnel systems to remove inherent discriminatory practices; has had regular monthly meetings of the department's Affirmative Action Committee; has rotated the location of the meetings to various offices of the department; has invited all departmental staff in the office area to join the Affirmative Action Committee for information, questions, etc., at the end of each meeting; has made sure that all meetings are open to staff members for attendance; has included Affirmative Action component in all in-house training programs given or provided by Personnel Services.

For the year 1986-87, we will be continuing on in this direction by seeking training and development plans for branches through the Estimates process of 1987-88, seeking Affirmative Action initiatives from each branch through the same Estimates process, establish a clerical advisory group to advise the department's Affirmative Action Committee on career developments for clerical staff, establish a skills inventory for target group staff members, review the feasibility of developing a secondment interchange program for clerical staff in the department, provide in-house training programs to supplement Civil Service Commission training, develop bridge positions for career development purposes and

reintroduce performance management programs with a specific career development component.

MR. CHAIRMAN: The Member for Kirkfield Park.

MRS. G. HAMMOND: Mr. Chairman, could the Minister indicate if there has been any upward movement from the clerical staff, secretarial staff, into more senior positions?

HON. J. WASYLICIA-LEIS: I can give some preliminary statistics and indications of how the Affirmative Action Program is having an impact, starting with women as a target group.

As of June 1986, 44 percent of the department's 25 management positions were staffed by women. In addition, 48 percent of the department's professional complement of 119 were women. Our record in middle management, translation, research, planning and consultant classifications is also fairly impressive. However, as I said earlier, a lot more needs to be done, and through the kind of program that we've outlined, we will work to provide improved development and promotional opportunities for the administrative, clerical, librarian, library technician positions which are still female dominated classifications. We're hopeful that the initiatives, as outlined, will lead to even better results.

MRS. G. HAMMOND: I'm not sure if the Minister indicated if there had been any upward movement from the secretarial staff into senior positions.

Also, is there a target in the department for the specific target groups? Is there a goal, is there a quota system that they're working toward?

HON. J. WASYLICIA-LEIS: I'm sorry for the delay. I'm just having trouble reading numbers.

Our target for the Native target group is 10 percent. Over a 20-year period, we're aiming at 32 Native hirings. We're currently, I regret to say, only at three in terms of that target. So, we've made progress in terms of the first couple years of the program, but we still have a ways to go.

With respect to the disabled, our target is 7 percent, and we have hired nine in that area. The percentage target translates into 22 hirings.

Among visible minorities, our target is 6 percent, and we have hired 15 in that target area, falling four short of the 19 targeted number.

Among women, our target is 52 percent as related to the breakdown in the population, and I'm still trying to get the total figures for that category. Right now, 62 percent of all employees in the department are women. So, we have to look at this target group in a different way, as I've just indicated in a previous answer, where we're showing improvements in terms of the management positions and the professional categories, where as I've said, 44 percent of the department's management positions are women, and 48 percent of the department's professional complement are women.

MRS. G. HAMMOND: There has been a slight increase in the Salaries. Does that indicate just increments, or what exactly? Has there been any change in the personnel in Personnel Services?

Also, I wonder if the Minister can tell me if any of the clerical workers, any of the secretarial staff have moved up into more senior positions.

HON. J. WASYLYCIA-LEIS: With respect to the first question, the increase in terms of Salaries is a net increase of 8.9 percent attributable to merit increments of 8.0 percent and 2.3 percent for reclassification offset by an existing provision of 1.4 percent.

In terms of the number of clerical positions who have moved into other positions within the Civil Service, I will try to get more complete information. But my preliminary information is that there are three specific cases of women in AY, secretarial positions who are moving into or have moved into administrative positions. One specifically is a woman who was an AY4 in personnel has moved into the head of the payroll section at that branch, and there are a couple of other examples of women in secretarial positions moving into administrative positions, but I will certainly check to see if there are any more.

MRS. G. HAMMOND: Under the Personnel Services in Communication, that has gone up. I wonder if the Minister could indicate why the extra expenditure there and also in Transportation and in the Other Operating. Might as well take them all in.

HON. J. WASYLYCIA-LEIS: Mr. Chairperson, the increase in Communication is a result of an upgrading of the Telephone system, as well as more proper budgeting for actual costs, and also in that category is the cost for career advertising. The increase in transportation is a result of job competitions held in the North.

The Other Operating, I will try to get back to the member on if she wishes. My staff just said that part of it is increases in terms of training. There would be the usual cost increases in terms of supplies.

MRS. G. HAMMOND: I think the Minister just asked the question, training for what. The training component, what are they training? Is this the training for the Affirmative Action Programs or just exactly what is it?

HON. J. WASYLYCIA-LEIS: Mr. Chairperson, that's it exactly. It's the increases in terms of training for the woman who has moved from the AY4 position to the head of payroll services and the costs as a result of career development and so on.

MR. CHAIRMAN: 1.(g)(1) Personnel Services: Salaries—pass; 1.(g)(2) Other Expenditures—pass.

There will be no resolution yet on this block of items until after we have considered the Minister's Salary, which we have deferred as the last item for committee consideration.

Item 2.(a)(1) Culture, Heritage and Recreation Programs, Executive Administration: Salaries, 2.(a)(2) Other Expenditures - the Member for Kirkfield Park.

MRS. G. HAMMOND: Mr. Chairman, if we may in this section, there are a number of people who would like to ask questions, if we could, instead of dealing line by line, if we could deal with the whole area if the Minister agrees?

MR. CHAIRMAN: Are we going to do it in sequence, because the staff has to be here to answer technical questions.

MRS. G. HAMMOND: Mr. Chairman, does the Minister need different staff for different areas? Is that what would happen in this area?

HON. J. WASYLYCIA-LEIS: Yes, there would be other staff required but we could proceed and if there are any questions I can't answer, I'll just hold that and get back to the member.

MR. CHAIRMAN: The member should remember that the Minister is a first-time Minister and we have to make allowance for the technical knowledge within the knowledge of the departmental staff.

MRS. G. HAMMOND: I appreciate that, Mr. Chairman. Possibly we could deal with - maybe the first three areas, would fall under . . .

MR. CHAIRMAN: Is that agreeable to the Honourable Minister?

MR. CHAIRMAN: 2.(a)(1) Executive Administration: Salaries, 2.(a)(2) Other Expenditures, 2.(b)(1) Grants Administrations: Salaries, 2.(b)(2) Other Expenditures, 2.(b)(3) Grant Assistance, 2.(c)(1) Cultural Resources: Salaries, 2.(c)(2) Other Expenditures, 2.(c)(3) Grant Assistance - the Member for Morris.

MR. C. MANNESS: Thank you very much, Mr. Chairman.

Mr. Chairman, it's the first time, by the way, that I've really taken any part in these Estimates on Culture, Heritage and Recreation — (Interjection) — that's right. So hopefully you'll be protective of me, also, Mr. Chairman.

MR. CHAIRMAN: All the more why we will need the assistance of the staff members.

MR. C. MANNESS: I thank you for that offer of protection, Mr. Chairman.

I would like to ask the Minister, Mr. Chairman, because this is the major area under her department, the major monetary area, whether or not she could provide for members opposite, a reconciliation of all the grant figures.

Now, Mr. Chairman, today I understand the Minister provided for the House a listing of grants paid for the fiscal year ending March 31, 1985. There is a myriad of detail there, Mr. Chairman, and I would ask how it is that this type of listing, if the Minister could provide it, for the '86-'87 fiscal year, which I'm sure she can because there's a lot of those decisions are yet to be made - how indeed they would balance with the total appropriation shown on page 45 of the Main Estimates, that total appropriation under No. 2, being \$15.59 million.

Mr. Chairman, from time to time — (Interjection) — that's right. That was a further question, Mr. Chairman. I'll ask that in a little while.

This is ending 1985; there's been another fiscal . . . We're now five months past the fiscal year end 1986,

and the Minister may want to tell us and all the members of the House why indeed she couldn't have provided this detail for the 1985-86 fiscal year. But nevertheless, I would like to somehow relate the appropriation that we are discussing under Resolution No. 42, with all the detail that has been provided in this grant listing for 1985 and, subsequent to that, 1986, even though it's not been laid before us. So, Mr. Chairman, that's in general what I want to do.

I'm well aware that some of the grant monies are O/C'd and yet others, I believe, are not; and I think it's time for the Opposition to begin to have a clearer understanding as to how the government sets aside these funds, these grant funds under specific headings and what the criteria is in place for many of them, so the Minister may want to begin at that point.

HON. J. WASYLICIA-LEIS: As I said at the outset, and in private conversation to the Member for Charleswood, I will be happy to provide whatever information is available that will make it easier for members opposite to be able to study the entire Estimates of this department, whether they are main appropriation or Lotteries.

Some of the kind of detail that the member is asking for, for example, grants listing for 1986-87 is just not possible because we are still in that year and we are still making those kinds of decisions. The 1985-86 information that the member has requested, which would be similar material that's available in the 1983-84 Annual Report has not been provided because it is still unaudited. So it would not necessarily make sense for me to provide that kind of detail at this point.

However, if I understand correctly, the member is asking for a better delineation of expenditure for each area of my department according to appropriation and Lotteries. I have an information sheet here that might be useful which really breaks down the categories by appropriation, providing the amount budgeted under main appropriation and the amount under Lotteries. I think that will probably be the kind of information the member is looking for, so I'll be glad to table this and I will certainly answer questions on any of this material and give as much detail as is now available to me.

MR. C. MANNES: Mr. Chairman, without prejudging the material the Minister has laid before us, I'm glad that she has seen fit to divide departmental grants from those supported by Lottery funding.

However, what I'm trying to do specifically, and in some manner, is relate the \$15.59 million that we're considering under this Estimate to the document the Minister laid before us today. That is titled, "Manitoba Culture, Heritage and Recreation - Listing of Grants Paid for the Year End March 31, 1985."

Mr. Chairman, there is a Lotteries portion to this document. Let's discount that at this point in time, but there are a significant number of headings which have come out, funding for which has come out of the main appropriation. I'm talking specifically about grants to major cultural organizations, deficit reduction grants, grants for special events and programs, grants to libraries and so on and so forth. I'm asking the Minister if she can tell me whether the \$15.59 million can be directly related to the headings provided within the detailed list that she has given to us earlier today?

HON. J. WASYLICIA-LEIS: Again, sorry for the delay. I was trying to figure out exactly what the member is asking for.

He's referring to Page 24 in the Supplementary Estimates and asking if the information in the handout that I gave to him can be matched with this particular listing. I think the best way to answer the member's question is to say that as we go through each of those appropriations, I will be able to provide for the member a breakdown of grants, a breakdown of capital projects, a breakdown of that which falls under appropriation, of that which falls under Lotteries and provide him with the material so he can make the kind of comparisons he's looking to make.

MR. C. MANNES: Mr. Chairman, I don't believe the Supplementary Information has provided near as much detail as the handout provided by the Minister today, and that again is the listing of grants paid in that particular fiscal year.

I'd like to use a specific example. Let's look at the area of Cultural Resources, 2.(c). I look at a total requested sum of \$444,000 under that item in the Main Estimates. Then I turn to the first page of detail provided under this handout. It's titled, "Grants to Major Cultural Organizations." That includes, of course, the Cultural Franco Manitobaine, the Manitoba Arts Council, the Centennial Centre Corporation and so on and so forth; but the total expended under that listing in the 1984-85 fiscal year totals some \$7.4 million.

Again, and it's headed, "Coming out of Appropriations - Grants Listed." Now I would like to relate that to some line item within the Estimates, and I can't do that, Mr. Chairman, and I can tell you that this document provided by the Minister though is the most detailed one I've seen. It's attempted to classify and accumulate all the grants that have been paid within that fiscal year. To me, it has great value, but it only has value if I, in some manner, can relate it to the actual appropriations that we're considering and we'll be voting in due course.

So that specifically is what my question is, Mr. Chairman. Hopefully, the Minister could accede to my request.

HON. J. WASYLICIA-LEIS: I think I can answer any questions relating to those areas raised by the member if we proceed by going through the Grants Administration appropriation, since it is that appropriation which deals with, has the main responsibility for administration vis-a-vis the major cultural institutions.

If the member opposite is willing to start with Grants Administration, I can break down exactly for him the total spent on grants going to major institutions, as well as the increase they're getting this year, those that were transferred to Lotteries, and capital grants to facilities as well.

MR. C. MANNES: Mr. Chairman, if we follow the process which she would prefer to follow, would she be able to provide for us, under every one of the appropriations that we're considering, detail similar to the some 25 pages of detail that she's given to us earlier today?

Now I realize fully well that we're only part way through a fiscal year and a lot of decisions haven't been made, but we're also five months through the fiscal year where many decisions have been made with respect to grants, Mr. Chairman. Can that detail be provided to us? Obviously, it's on some ledger somewhere. If not, I would ask why not.

HON. J. WASYLYCIA-LEIS: I'm afraid that kind of detail is just not possible. It is not possible to give a final grants list for a year that is only halfway through. There are many programs where the grant allocations have not been finalized, where the deadlines have been just completed and applications are being considered, where the uptake of a particular program is still being considered. It just amazes me to have that kind of question when the member knows the process for Estimates and he knows that kind of detailed breakdown is only possible at or near the end of that year.

MR. C. MANNES: The Minister may want to withdraw her words. She says "at or near the end of the year." Mr. Chairman, she gave us the detail for a year ending a year-and-a-half ago. That was fact and the Minister was giving us factual information; then she would have laid before us the listing of grants paid for the year ending March 1986.

Mr. Chairman, I'm fully aware that we're only five months through the year, but those grants, I would have to think, have been authorized. There have been five months of grants that have been authorized. Some of them have received Order-in-Council and indeed a large share of them have been paid out, naturally not the total figure under that specific allocation or that category, whatever the classification may be. Nevertheless, we're five months into the fiscal year now. Many grants have been paid.

I would ask the Minister why she can't tell us, why she doesn't have available to herself to share with the rest of us an indication as to where those grants have gone.

HON. J. WASYLYCIA-LEIS: What I said I couldn't do was provide the member opposite with the complete list of grants for all of the various programs of this department. As he knows, there are dozens of programs with hundreds of grants awarded.

However, if I read between the lines, I think what the member is asking for is a breakdown of grants to the major organizations, cultural institutions of this province, and I'm certainly prepared to start giving him that kind of detail at any point in this series of Estimates.

MR. C. MANNES: Mr. Chairman, you, as indeed every member of this House, realize fully well this is the one opportunity that Opposition has to question the Minister responsible for this whole area as to where that department stands at this point in time. Failing that, Mr. Chairman, this is all we have. We have a document that comes to us as members a year-and-a-half after the fact. So, Mr. Chairman, this is the only opportunity that we have to find out specifically the status of these grant categories at this point in time.

Now I'm asking the Minister specifically, Mr. Chairman, whether all the granting programs within her department

are identified during this fiscal year 1986-87, whether they will continue to be identified as: (1) grants to major cultural organizations; (2) deficit reduction grants; (3) grants to provincial regional cultural organizations and festivals; (4) grants for special events and programs; (5) grants to libraries; (6) operating grants to regional libraries; (7) library establishment grants; (8) grants to library associations; (9) grants to recreation districts; (10) capital grants to multicultural organizations. And I think the rest are Lotteries. Let me see. I'll see if there are any other appropriation grants. Well, there's one other one, Mr. Chairman. It's MGEA grants listing, but I'm sure that's covered under another appropriation.

Mr. Chairman, I have listed off roughly eight or nine grant areas. I specifically want to know whether those categories are being maintained within the Department of Cultural Affairs at this point in time, the specific amount that's been allocated to each, and what grants have been offered under each of those programs.

HON. J. WASYLYCIA-LEIS: If I've heard the member correctly, he is asking for a breakdown of every grant program. He's focused specifically on appropriations. Although I could not provide a list of every individual recipient of each grant program, I could provide the member with a breakdown of each program as he's outlined with the allocated budget for each of those programs so that he could compare on a program-to-program basis.

MR. C. MANNES: Yes, that would be most beneficial, and I thank the Minister for offering that. That certainly then begins to give us an opportunity to compare this year's appropriation in some fashion to what the government department has done in the past. Hopefully, the sum of those various classifications would amount to \$15.59 million.

I would then ask the Minister why she can't provide the detail because, obviously, many of those grant monies have flowed, they have been received by various cultural groups, and I would ask, indeed given it's basically taxpayer money, and indeed this forum, Mr. Chairman, is for ascertaining whether or not taxpayer money has been put to proper use, I would ask her why she couldn't provide the details up to this point in time in the fiscal year?

HON. J. WASYLYCIA-LEIS: I'll try to be more specific in terms of the reasons why it's not possible to provide that kind of detail. The first reason, as I've indicated already, is that in a number of the programs, the money has not actually flowed as the member has suggested.

MR. C. MANNES: That's fair, you can't give it to me if it hasn't flowed.

HON. J. WASYLYCIA-LEIS: The second reason would be that we are dealing with organizations who don't always have the same fiscal year as ours. Also, we are dealing with organizations that have yet to provide us with audited statements. Another factor is that there are different formulas for different grant programs.

In a case, for example, of the Public Events Sponsorship Program, we haven't even allocated the total budget for that program, because the season for

bringing in performers has not even started. I could go on and on in terms of the reasons. I think the member, having been on this side of the House once, understands the way governments operate and how program monies flow.

MR. C. MANNES: Mr. Chairman, the Minister just gave me this list, and I thank her for it, where she breaks out the grants by appropriation and Lotteries. I can't help but look to a column about four lines from the right side, under 1986-87 approved, and I notice that \$6.59 million has been approved already in this fiscal year. That's roughly 40 percent of the total expenditure.

So, if it's been approved, Mr. Chairman, obviously the audited statements of the various cultural groups and community groups applying for the grants have been reviewed and found in order. Secondly, their year-ends obviously can't conflict that much because, indeed by the Minister's own statement, \$6.6 million has been approved. Maybe, the money hasn't flowed, but obviously I would have to think, if it's received approval, whatever the approval system is - and we'll find out that in due course - but I don't know if it goes to Treasury Board. I'm sure it wouldn't in all cases.

But whatever final approval it receives in government, that's happened, Mr. Chairman, 99 percent of this money is going to flow. Why can't the Minister give us the detail associated with \$6.6 million? That's an awful lot of money.

HON. J. WASYLICIA-LEIS: If the member is referring to the 6,592.2 under Main Appropriation for Grants Administration, as I've said right from the outset of this evening's Estimates, I could provide for the member all the detail he would ever want in terms of how that money is spent. That is exactly the kind of information I said that was available now, and I would be glad to go through that at this very moment. Do you want me to start?

MR. C. MANNES: Well, Mr. Chairman, I thank the Minister for the offer. To save the time of the committee, I don't need it read into the record. I guess, if the Minister has it though and it can be provided in a fashion somewhat similar to this, then I'll certainly, and I'm sure members opposite, will gladly receive it in a printed form. We then will save a lot of the time of the committee.

Because, Mr. Chairman, too many times in the past within this particular area, Ministers have come before us and read a very glowing speech at the beginning, particularly NDP Ministers, and told us what wonderful things they were doing within this area. Yet really, there was not a full accounting to the members of the House as to how that money was to be spent. I know a lot of it is discretionary. I know a lot of it - well, the Minister shakes her hand, no - not as between classifications, but as to who receives funding in some areas under some of the grant programs. There are discretionary decisions that are at work. All we're asking for is a truer and more open accounting at this time. If the Minister has that detail broken down into the appropriate classifications, as I've listed them some five minutes ago, we'll gladly receive them, and I'm sure it will save many questions.

HON. J. WASYLICIA-LEIS: The member opposite acts like he's received some new information from me. I said at the beginning of the Estimates this evening that, if we started with Grants Administration, I could proceed by giving to the member opposite the exact operating grant provided to each of the cultural institution or organization involved, as well as the increase and what the increase was for, and any capital grants that went to any of those organizations, which would add up to the main appropriation under Grants Appropriation of 6.9 million. If he wants that in written form so that he can study it, I will be glad to get that for him tomorrow.

I think it's important to deal with the member's comments about discretionary funds. If we started with this Estimates process as it should be proceeded with, I would be able to address any questions that the member may have regarding formulas and methods by which funds are allocated. He will be surprised, I would assume based on his remarks, that every program has a formula and criteria which must be met for any organization to be eligible for funding. I wish we could get to the point in those Estimates where I could begin to clarify some of that for the member opposite.

MR. C. MANNES: Well, Mr. Chairman, this isn't the time to belabour the criteria, although I will accept the Minister's offer and sometime in due course we will move into a discussion on criteria. Indeed, some of my colleagues may want to pose some very specific questions on criteria. We won't belabour it, Mr. Chairman. I accept the Minister's offer. I don't believe these Estimates are concluding this evening and I'll take the Minister at her word and look forward to that printed detail coming some time either later this evening or tomorrow morning. I, though, would like to receive from the Minister at this time an understanding of how the government approves all of the grants.

Mr. Chairman, again, I have 25 pages of grants provided before me. A significant portion of those are Lotteries grants.

I would ask the Minister: The manner in which authority is gained from government that allows her to determine who is paid these grants - now I know the criteria obviously are in effect according to the words of the Minister - on that basis some organizations are favoured by way of decision, by way of stacking up in front of the criteria, to receive some grant. I would ask her then where her department goes for authority in government, either Cabinet, Order-in-Council, Treasury Board, to pay out these grants. Where is the final authority?

HON. J. WASYLICIA-LEIS: A point of clarification. Was the request relating to Lotteries?

MR. C. MANNES: Both.

HON. J. WASYLICIA-LEIS: Both. The process for approval of these grants, all grants, is basically the way all grants and programs are approved in this government. A budget is presented to Treasury Board, Cabinet reviews all Treasury Board submissions; after that, general approval has been granted, specific grants are submitted to Cabinet for approval in principle. And

I think the Member for Charleswood in fact referred to the Treasury Board submission that gave this department authority to spend approximately \$9 million in Lotteries money. Then, finally, those grants must go back to Treasury Board for Order-in-Council unless, of course, they are programs with criteria where Treasury Board approval has already been provided.

MR. CHAIRMAN: The Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Mr. Chairman. I would like to go back to Executive Administration, if I could.

In terms of the salaries for the one managerial person and the two administrative support system, the managerial salary is down by some 29.2 and the support staff is down by 32, which means that the salary now is 57.3 for the one and 38.7 or 19,350 for the two.

Why such drastic cuts in salaries and how did you manage it? And if you did manage to get the same kind of competent people, would you tell others in the government that they can do the same thing?

HON. J. WASYLICIA-LEIS: Mr. Chairperson, the net decrease of 51 is attributable mainly to the fact that a consultant with the Deputy Minister's office, Mr. Al Miller, is no longer in that position and, therefore, this has resulted in the deletion of provision for severance pay, GSI and merit increments. There is a small saving as the result of an EA003 position being filled at less than previously budgeted.

MRS. S. CARSTAIRS: I still have some difficulty with this. We have 51,000 less in salaries in this particular section; we don't have any reduction in staff years; we seem to have had a manager who was paid 86,500 now paid 57,300; and we used to have support staff paid 60,000 who are now paid 38,000.00. That's wonderful economy measures, but how did you do it?

A MEMBER: The MGEA approved that one.

HON. J. WASYLICIA-LEIS: The saving is basically the change from someone who was a professional, basically paid a Deputy Minister level, to a secretary. That's really the sum total and reason for that decrease.

MR. CHAIRMAN: The Member for River Heights.

MRS. S. CARSTAIRS: The question has to be asked, Mr. Chairman, how can someone at the secretarial level perform a function which had to be performed in the past by someone at the deputy minister's level; and, if this is the case, why do we have any deputy ministers?

HON. J. WASYLICIA-LEIS: Mr. Chairperson, my Deputy Minister has a good reason. Basically, Al Miller, was providing a particular service. He was on staff, and subsequently on the staff of Lotteries, did the Miller Report, so it was for a particular function.

When he left there was a vacant SY, which was desperately needed for the provision of clerical services and filled that position of EA003.

MRS. S. CARSTAIRS: I'm still pleased to see that we still need our Deputy Minister in Culture, Heritage and Recreation.

If I could move on to Grants Administration, the particular section in which you make note in your detailed Estimates of a decrease which reflects the Department's consolidation of support to major culture and heritage institutions under Lotteries Expenditures, does that mean that \$513,600 has been transferred to Lotteries; and that in fact all of the people who were getting grant assistance before will still continue to get grant assistance?

HON. J. WASYLICIA-LEIS: Mr. Chairperson, the answer is, yes.

MR. CHAIRMAN: The Member for Charleswood.

MR. J. ERNST: Mr. Chairman, perhaps we can go on to the Grants Administration section also.

Mr. Chairman, Grant Administration has salaries and other expenditures related to those Salaries, and presumably the salaries and those other expenditures related to the Salaries deal with the administration of grants, deciding who's going to get what, to some extent; and whether those who were going to get grants were, in fact qualifying, or meeting the criteria that is set down.

Given that that's the circumstance - and I assume it is - why is there an additional \$33,641, for instance, in the Administration of Grants in the Lotteries Budget under the Department of Culture, Heritage and Recreation? And that's the 1984-85 Lotteries report because we don't have anything more recent than that.

But why is there an additional amount of \$33,641 there for that year; and at the same time an additional amount for Coordination and Assistance in grants of \$16,151. Are these part and parcel the same, are they in addition to that, and why are they there?

HON. J. WASYLICIA-LEIS: Mr. Chairperson, if I understood the question correctly, that allocation is for one-and-a-half term positions to administer the Recreation Facilities Grant Program, '84-86.

MR. J. ERNST: Mr. Chairman, I thank the Minister for the answer. I don't think she has specifically answered the question that I asked, somewhat inadvertently I suspect.

Is this a part of the Grants Administration that appears in the Estimates, on a permanent basis, on a specific program basis? Presumably it was a grant made for one year, as opposed to the longer period of time than that? Perhaps the Minister could answer that.

HON. J. WASYLICIA-LEIS: I'm not sure I quite understand the member's question yet.

If he's asking about the line referring to Administration of a Grant Program, as I've indicated, these are term positions relating to the administration of Lotteries program.

Generally, where administration is required to ensure the full implementation of a program, funds are allocated for such administration.

MR. J. ERNST: Perhaps I can be a little clearer, Mr. Chairman. Does the Minister have the Annual Report of the Lotteries Commission, 1984-85, Page 19, Figure

11, the fourth line down: Administration - Grant Program, \$33,641; Page 19 - not the Culture, Heritage - the Lotteries Foundation Report.

HON. J. WASYLICIA-LEIS: You couldn't wait till Lotteries Estimates, eh?

MR. J. ERNST: Well, it deals with this and it's a comparable situation, so I wanted to know the answer.

HON. J. WASYLICIA-LEIS: Could you give that to me once more, please?

MR. J. ERNST: Page 19, Figure 11, under Payments, fourth payment; Administration - Grant Program, \$33,641.00.

HON. J. WASYLICIA-LEIS: Yes, actually we're talking about the same thing, the same listing is found on Page 35 of the Annual Report for Culture, Heritage and Recreation.

And again, that \$33,641 is for one-and-a-half term positions to administer the Recreation Facilities Grants Program '84-86.

MR. J. ERNST: Mr. Chairman, can the Minister explain why they're hiding - not hiding per se, but certainly not coming forward with - Grants Administration cost in their regular Estimates. Well, they are in fact, in a sense, hiding it in the grants from Lotteries, Mr. Chairman.

I'm sure that at the time that the Estimates for the Culture, Heritage and Recreation Program were dealt with in 1984, that they would not have been aware that there were \$33,641 in Grants Administration costs, plus I assume Item 1 in that as well, \$16,000 coordination assistance grants which may or may not deal with that specific area, but certainly the \$33,641 does. I think that's the point the Member for Morris was making earlier, to some extent, the fact that we don't know today what kind of other hidden expenditures are around because we don't have that information in advance; we have it only a year or a year-and-a-half longer after the fact.

Here's a situation where, in fact, in 1984 when the Legislature was considering the Estimates of Culture, Heritage and Recreation, they would not have known about this. So can the Minister explain why they would put an administrative cost situation like that into lottery grants as opposed to putting it into the Main Estimates of the department?

HON. J. WASYLICIA-LEIS: If the member is suggesting a breakdown of Lotteries expenditure in terms of SY's, how many term positions there are, I have no trouble providing that and probably would have done so throughout the course of these Estimates at any rate if that's what he's looking for.

MR. J. ERNST: Mr. Chairman, I suppose that's in part what I'm looking for. I guess I could ask the question, Mr. Chairman: Are there any other hidden expenditures that would deal normally with the Department of Culture, Heritage and Recreation that are funded from some other source or not contained in these Estimates, and

if so, can the Minister advise us what those are as well?

HON. J. WASYLICIA-LEIS: Mr. Chairperson, I've provided a broad outline of that kind of information that the member is requesting with the distribution of this information sheet entitled "Lotteries Appropriation Expenditures by Branch." As we go through each branch, I can give more detail pertaining to the questions he is raising.

MR. J. ERNST: Mr. Chairman, perhaps I can ask the question under Executive Administration. Are there any other expenditures that are not shown here under general Estimates that will be funded from some other source such as lottery revenue?

HON. J. WASYLICIA-LEIS: No, Mr. Chairperson.

MR. J. ERNST: Under Grants Administration, Mr. Chairman, will there be any other expenditures not included in the Main Estimates funded from some other source such as lottery revenues?

HON. J. WASYLICIA-LEIS: Only the 1.5 term positions for the Recreation Facilities Grants Program, '84-86 that I previously referred to.

MR. J. ERNST: Could the Minister advise what the amount for '86-87 will be?

HON. J. WASYLICIA-LEIS: If the question was whether or not that same level of staffing would occur in '86-87, the answer is yes.

MR. J. ERNST: No, the cost.

HON. J. WASYLICIA-LEIS: And the cost, the same. Is that what you asked? Cost and SY's, same.

MR. J. ERNST: Cost is 33,000 again for 1986-87?

HON. J. WASYLICIA-LEIS: The figure of 33 that the Member for Charleswood has referred to was for the actual for '84-85. The approved for '85-86 is the 1.5 term positions coming to 40, instead of the 33, and the requested for '86-87 is the 1.5 terms for 40. — (Interjection) — Yes.

MR. J. ERNST: Mr. Chairman, in 1984-85, under Grants Administration, there was a further 1.24 million expended on Grants from Lottery Revenues under this particular section. Can the Minister advise, or will the Minister be providing, in the information the Member for Morris solicited earlier, what it's proposed to be for '86-87 and what it was for '85-86 in unaudited terms.

HON. J. WASYLICIA-LEIS: Yes, we'll be able to provide the budgeted amount for both years.

MR. J. ERNST: Mr. Chairman, so I understand clearly what the Member for Morris understands, or as he advised that he understands at least anyway, in terms of the kind of information we're going to get dealing with the grants situation, can the Minister, if I'm correct

in assuming we're going to basically receive the document she passed out earlier today, with the division by division - let's use an example. Page 1 is grants to major cultural organizations for a total of \$7.4 million in operating, \$2.3 million in capital. That was for the year ended March 31, 1985. Is that the information we're going to be getting tomorrow in response to the Member for Morris' question on the grants situation?

HON. J. WASYLYCIA-LEIS: Yes, as I indicated to the Member for Morris, we could provide detailed information on Appropriation Estimates which basically would cover the request for details on grants to the major cultural institutions and for all the rest we can provide program levels. We will not be able to provide the actual list of individual grants because that's just not finalized.

MR. J. ERNST: At the risk of being repetitive, Mr. Chairman, but at the same time wishing to be clear on again what's going to be provided us, basically this document, provided to us earlier, with respect to grants, but based on specific program areas and the total amount of money either actually expended or budgeted or estimated or something along that line, for 1986-87, is that correct?

HON. J. WASYLYCIA-LEIS: Yes, Mr. Chairperson, the answer is yes.

MR. J. ERNST: That's excellent, thank you very much. Mr. Chairman, it's been some time I think since that kind of information has been provided, and I compliment the Minister on her position in that regard.

Mr. Chairman, in the Annual Report of the Culture, Heritage and Recreation, 1984-85, it showed transfers to the Manitoba Lotteries Foundation of \$7,830,290, and that's contained on Page 35. In the Manitoba Lotteries Foundation report for the same year, it showed transfers to the Department of Culture, Heritage and Recreation of \$7,230,790.00. That's contained on Page 32 of that report. Can the Minister advise what happened to half-a-million dollars?

HON. J. WASYLYCIA-LEIS: Mr. Chairperson, perhaps if I could get a clarification from the member, referring to Page 19 of the Annual Report for the Lotteries Foundation, there is a total listed for \$7,800,290.15. On Page 35 of the Annual Report for the Department of Culture, Heritage and Recreation, 1984-85, there is a total given for \$7,800,290.15.

MR. J. ERNST: Somebody's fooling around with the books or something, because those two other references are two different numbers - Pages 35 and 32. Page 35 of the Culture-Heritage report is \$7.8 million; Page 32 at the bottom, Department of Culture, Heritage and Recreation, funds transferred from the Gaming Fund Account, 7.2 million, as being the total funds transferred from that department. I'd like to know where they picked up \$600,000 or \$500,000 in the process?

HON. J. WASYLYCIA-LEIS: I can't give the member the answer to that question right now. Perhaps, when we get to the Estimates portion dealing with Lotteries,

I could by then have ascertained that line which is in the Annual Report for Manitoba Lotteries Foundation.

I think the important thing to note is that the department basically gets a percentage share of the Gaming Fund and a portion of that has been authorized and allocated, and the member will notice that with the sheet that I've handed around, the actual approved in terms of Lotteries is \$8,815,900.00.

MR. J. ERNST: Mr. Chairman, I thank the Minister and I'm prepared to wait for the answer until tomorrow or the next day or whenever we do get to it. — (Interjection) — Sorry? That may be wishful thinking on your part, through you, Mr. Chairman, but I don't think it'll be quite that long. I would assume the answer is forthcoming, Mr. Chairman, from the Estimates process. I don't think it's going to take us that long to get through the Estimates.

Regardless of which number it is, whether it's 7.8 million or 7.2 million, in 1984-85, again which is only the last figures that we have, approximately \$3.9 million was spent out of the grant money. Yet, Mr. Chairman, we have at that point \$6.9 million in reserve funds sitting at the beck and call, as it will, of the department.

Can the Minister advise why \$6.9 million is sitting in reserve funds and why such a large amount is sitting in reserve?

HON. J. WASYLYCIA-LEIS: Mr. Chairperson, the member asked for a clarification on the figure 6.9 and we are just getting that.

MR. J. ERNST: I believe, Mr. Chairman, it indicates that in one of the reports - unfortunately, I didn't make a note of where I got the information when I made the note initially to ask the question, but I can pass to somebody else and they can ask a few questions and I'll look it up.

HON. J. WASYLYCIA-LEIS: To answer the member's question, I think I now know what the member is getting at, and that is the difference between the amount budgeted through Lotteries for Culture, Heritage and Recreation programs and the amount provided through this provision of the percentage share of the Gaming Fund.

As the member knows and as was indicated in the Estimates with regard to the Sports Directorate, that amount will fluctuate as Lotteries revenues grow, or decrease, if they should ever start to do that.

I have distributed to the member the approved budget for the Lotteries portion of our department which is roughly \$1,000,815.00. If we look at the current share to the department from the Gaming Fund, which is roughly 33.5 percent of the Gaming Fund, the figures I believe are \$12 million. So we're looking now at a surplus of about \$4 million - just under \$4 million or thereabouts.

The member will also know from previous discussions in this House, or presentations, that this government is planning to put in place a Lotteries-based community capital facilities program. This department will, through that surplus, contribute its share. The Sports Directorate, through its surplus, will contribute a share and the Equalization Fund, as well as the surplus 649

Fund, will be participating in or being pulled together to form the basis for this kind of a program which ties in indirectly with the recommendations of the Miller report and recommendations, indeed, of many organizations for a provision for a program that provides the resources for community capital facilities for permanent investment in our communities.

I am quite pleased that we are able to be in this kind of a situation with unexpected growth in Lotteries revenue that we are able to put together enough resources to provide a meaningful capital facilities program.

MR. CHAIRMAN: The Member for Charleswood.

MR. J. ERNST: Can the Minister advise, first of all, when that program is expected to come on stream; (b) how much money is proposed to be put into it in the initial instance; and (c) is there anticipated ongoing funding and, if so, what level would that be at?

HON. J. WASYLCIA-LEIS: Mr. Chairperson, I can't give the details of the program since it's still in the very beginning stages.

We are hopeful that we can have a program up and running no later than January 1987. The amount has not yet been set. To answer the third question, and I should add to that comment, again, as I said, it's related to the ability to pool resources from the available unallocated Lotteries funds; but in response to the third question, we hope that this will be an ongoing program.

MR. J. ERNST: It's going to be ongoing funding?

HON. J. WASYLCIA-LEIS: And ongoing funding, yes.

MR. J. ERNST: Mr. Chairman, can we ask the Minister then with respect to grants: What is the intent? What's the long-range plan for the Department in terms of grants? Is it going to continue to fund partially from the tax base and partially from Lotteries? Is it going to fund more from Lotteries in the future? As the Member for River Heights already pointed out, there was an initial half-a-million dollars transferred to Lotteries this year out of the tax-based grant programs. So what is the long-range plan for the Grants Administration in the Department?

HON. J. WASYLCIA-LEIS: As I've indicated in my opening remarks and in speeches on previous occasions, this government is committed to ongoing funding of arts and culture in this province; and we have said that we will not abdicate our responsibility; we will not retract from a clearly articulated position of support for culture and the arts.

We have been able to provide the kind of increases that are evident in these Estimates to cultural and arts organizations, multicultural organizations and activities, as a result of some flexibility with the money available to us from Lotteries. Without that kind of flexibility, and given the current fiscal situation, we would be very hard pressed to be able to provide the increases to existing organizations as well as to embark on funding for new and emerging groups and organizations throughout the province. So it is with some pride that I think we can

point to the fact that to bear an equitable distribution of Lotteries revenue has made it possible for a wide variety of cultural and recreational groups to expand and to grow.

We are however, though, with the allocation of at least some of the unallocated surplus in this department, reaching close to the end of that point where we are able to continue to look to Lotteries funding for flexibility.

The general historical trend in terms of appropriation versus Lottery funding has really gone back and forth with respect to this question. When members opposite were in government for a few years - I was going to say four short years - in fact, members opposite were involved in a transferring of Multicultural Grants Program, Linguistic Support Program, Museum Grants Program from Appropriation to Lotteries.

So it hasn't been anything new or noteworthy in terms of this government's performance vis-a-vis the availability of Lotteries funds. I think we are fortunate to be in a situation where we can meet growing demand and meet our responsibility for a strong and vibrant arts and cultural community by ensuring that we don't have hang-ups about appropriation versus lottery funding.

MR. J. ERNST: Mr. Chairman, I must say that the Minister is learning about smoke and mirrors here. There was a very long answer to a short, succinct question. The question was, are you going to transfer more to lotteries or not? The Minister indicated in her response that the increases in grant funding found in the Estimates - there are no increases in grant funding found in the Estimates, there's in fact a decrease of half-a-million dollars in grant funding there.

The question that I asked was, are they going to transfer more money in the long term on to Lotteries from - or appropriation or whatever else they refer to - but from the tax base payments in this department to lotteries? Is that going to happen? I asked what the long-range plan was.

HON. J. WASYLCIA-LEIS: Mr. Chairperson, if the member had listened to my answer to his question, he would have found that answer within my fairly long answer, I'll have to admit. Basically I said that . . .

MR. J. ERNST: I wiped off the smoke and the mirror and didn't see it.

HON. J. WASYLCIA-LEIS: . . . no smoke and mirrors. I've tried to explain to the member that that kind of decision depends on the overall fiscal situation of the province at a particular point in time. It relates to the demands on the department in terms of arts and cultural organizations, it relates to cutbacks from the Federal Government, which is certainly placing some strain on our own funding abilities, as well as the health of various arts and cultural organizations. So it's hard to predict. One cannot predict if there will be other transfers from appropriation to lotteries or indeed, from lotteries back to appropriation.

MR. J. ERNST: Thank you.

MR. CHAIRMAN: The Member for Gladstone.

MRS. C. OLESON: Thank you, Mr. Chairman. I'm taking it that we can discuss Arts Councils under (c) Cultural Resources. So taking that for granted, I shall proceed.

Last winter the Manitoba Association of Community Arts Councils Inc. put out a discussion paper regarding some of their concerns with community arts councils. They presented that brief, I believe, to the New Democratic Party caucus - I know they certainly did to the Conservative caucus - and in that brief discussion paper they discussed several issues and concerns, one of the concerns being, that they would like some long-term commitment, some long-term plans for community arts councils, another being that they felt that there should be more use of these councils as groups to assess the needs and functions of arts councils in the communities.

I'm wondering if the Minister has had an opportunity to look at that discussion paper, and if she has any long-range plans for the community arts councils?

HON. J. WASYLICIA-LEIS: The department has been fairly active in terms of consultation with community cultural councils, community arts councils, and there are a number of areas of more recent occurrence that I could point to, for example on the issues of arts education, touring, visual arts and exhibitions.

It should also be noted that in 1983-84 this department introduced a matching municipal funds formula for community cultural operating grants and those grants were based on matching municipal funds around the '82-'83 grant. So there has been some significant work with respect to assuring an active presence for community cultural councils.

In addition to that, we made a commitment at the recent Canadian Conference of the Arts, Manitoba Conference '86, that my departmental staff would review the community cultural council operating grant formula to determine whether it was adequately meeting the needs and if not to develop new criteria.

MRS. C. OLESON: What I'm trying to get at is, what assurance do these arts councils have that these programs that are in place are going to be long term? Is there a five-year program that they can look at and say, this is what we're going to be doing, so they can make some long-range plans?

I'll just illustrate one of the problems. The Arts Council that I'm the most familiar with is the Tiger Hills Arts Council, which is headquartered in Holland, Manitoba. A great deal of their time and effort is put into applying for grants, looking up what kind of grants there are, doing fund-raising projects, where really their main purpose in this world is to promote the arts and to do organization and planning of arts events.

It seems to me that it's counter-productive for them to spend so much time in trying to figure out how they're going to operate for the next few months. They come to a point where they wonder whether they're in business to apply for grants or in the business to be an arts council. I wondered if the Minister has any clear message that we can give them as to what she has planned for their future?

HON. J. WASYLICIA-LEIS: I appreciate the member's comments pertaining to community arts or cultural councils and their importance.

We, on this side of the House, certainly agree that community cultural councils play a very valuable role in terms of the broad arts and cultural spectrum and it's really out of that commitment, out of that appreciation for the role, that we do have a very active community cultural councils program which provides operating grants that currently go to a maximum of \$20,000 per year, which I think is a significant commitment and an indication of how seriously we treat this kind of a council at the community level and, certainly, a strong signal to that particular community of interest that we are committed to ongoing funding for community cultural councils.

I think it would be very difficult for me to make a definitive statement that community cultural councils will be guaranteed funding for X number of years. We certainly can't make that in hardly any area of government given the changes in the fiscal and economic situation. I think it's also important to note that in addition to the operating grant, these community cultural councils are eligible to apply for assistance under a whole number of other programs like the Public Events Sponsorship program, Coordination Assistance, Skills Transfer, and I could probably point to several others as well.

So I think that combined with our commitment to review the current criteria under the community cultural councils program, which provides the operating money as well as recent improvements to the other programs I have mentioned, would certainly be a good indication of our support to that level of concern.

MRS. C. OLESON: Mr. Chairman, the Minister remarks they can apply for this and this and this. That's my point that they spend all their time applying with never any guarantee they are going to get.

With regard to lottery funds, I'll read what their presentation said from Page 8 if the Minister wants to refer to the document sometime. It says, "Lottery funds handled through the Manitoba Arts Gaming Fund Commission are not currently available to local community groups. A very small amount of funding is provided to provincial community arts organizations. This funding is not adequate to distribute to community arts groups operating in local and regional levels.

"Affiliation of provincial community arts organizations has proposed that Manitoba Arts Gaming Fund Commission funds be channeled to community arts groups through local and regional arts councils. These organizations are considered ideal for this role because of their grassroots community involvement and their better understanding of arts needs and functions within the community. Thus, lottery funds for local arts activities and organizations would be allocated by local arts councils and lottery funds for regional arts activities and organizations should be allocated by regional arts councils. In this manner, local regional community bands, choirs, arts festivals, etc. would have access for provincial lottery funds."

The bottom line says they would like to be an umbrella group to allocate because they feel that they have the expertise and know what they need in the community.

I wonder if the Minister would care to comment on that, please.

HON. J. WASYLICIA-LEIS: The member is suggesting that . . .

MRS. C. OLESON: They were suggesting.

HON. J. WASYLYCIA-LEIS: Sorry. Let me start again. The member is carrying forward the suggestion of the Manitoba Association of Community Arts Councils that they be constituted as an umbrella group under the lotteries system.

That whole area is under consideration now that Al Miller has tabled his report and, as I've indicated to the House previously, we want to study all of those recommendations and make some decisions. However, I should point out that Al Miller concluded in his report that the umbrella system was operating fairly effectively and he recommended no major changes to the umbrella system.

He did suggest that there be some further work done on the part of my department and the Manitoba Arts Council in terms of ensuring that Lotteries' dollars got to the level of community and grassroots organizations, and had discussions with the Manitoba Arts Council. They have had discussions with the Association of Community Arts Councils and there is a very strong

commitment to ensure that this kind of community access is available in all existing systems and to together explore options for delivering lottery dollars.

MR. CHAIRMAN: Is there a decision on the part of the committee to rise?

Committee rise.

Call in the Speaker.

IN SESSION

MR. DEPUTY SPEAKER, C. Santos: Is there a motion to adjourn the House?

HON. J. WASYLYCIA-LEIS: I move, seconded by the Member for Brandon West, that the House be adjourned.

MOTION presented and carried and the House adjourned and stands adjourned until 2:00 p.m. tomorrow (Tuesday).