

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, November 16, 1989.

The House met at 1:30 p.m.

## PRAYERS

### ROUTINE PROCEEDINGS

#### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to Oral Questions, may I direct Honourable Members' attention to the gallery where we have from the Oakenwald School, twenty-seven Grade 5 students, and they are under the direction of Mary-Ann Mitchler. This school is located in the constituency of the Honourable Member for Fort Garry (Mr. Laurie Evans).

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

#### ORAL QUESTION PERIOD

##### Arena Proposal Federal-Provincial Position

**Mr. James Carr (Fort Rouge):** Mr. Speaker, when this Government took office, the Premier (Mr. Filmon) said it was a dawn of a new age of federal-provincial relations. Well, the dawn has turned to dusk, and now the wolves are baying at the moon.

Yesterday, Jake Epp said that he wanted to talk about a new arena, but he forgot to tell the Minister responsible for Sport (Mr. Ernst). Then when the provincial Minister heard about that, he said that the meeting is going to be a short one because he wanted to punch Jake Epp in the nose. We do not need a new arena. We have the walls and the halls of the Legislative Building. Has the Premier (Mr. Filmon) talked to either Mr. Epp or the mayor of the City of Winnipeg about these new revelations?

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

**Hon. Gary Filmon (Premier):** Mr. Speaker - (interjection)- you should see the other guy, right? I thank the Member for Fort Rouge (Mr. Carr) for his question. You know I had heard that he was a poet; in fact, I heard he was going to be performing, at the West End Cultural Centre, last week. I am glad that he has given us in his introduction a little bit of his imagery, but it will take more to convince me.

I will say to the Member for Fort Rouge -(interjection)-

**An Honourable Member:** Iambic pentameter answers.

**Mr. Filmon:** We have an aficionado of poetry in the Member for Concordia (Mr. Doer).

Mr. Speaker, I am having difficulty getting to the point.

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

**Mr. Filmon:** Mr. Speaker, the answer is no. I have not met with or discussed the matter of the arena with either the mayor or with Minister Epp in the last 48 hours, or for that matter ever. The topic has not come up as a matter of discussion amongst the three levels of Government with me included.

#### Provincial Support

**Mr. James Carr (Fort Rouge):** With a supplementary question if I could to the Premier. We now have a series of proposals on the table. We have the possibility of an arena being built on CN land and The Forks. We have heard people talk about an arena being built south of the Convention Centre, and also the possibility of a very expensive dome stadium near the confluence of the Red and Assiniboine Rivers.

Could the Premier tell the House today which, if any of these proposals, he supports and what provincial involvement he anticipates, if any?

\* (1335)

**Hon. Gary Filmon (Premier):** I will begin by saying I anticipate no provincial involvement. I will say that I support the present arena having been involved with an ad hoc committee at Winnipeg City Council which made the determination at that time in about 1978 or 1979, I guess it was, that the least costly, most effective option for the City of Winnipeg was to expand the existing facility, at that time, which is our current Winnipeg arena. The expansion was done at a fraction of the cost of what was proposed for a new arena at that time. Similar proposals were made by Al Golden and many others without money to back them up, I might suggest, as is often the case.

Under none of those circumstances did I believe that an arena at a cost of \$50 million or \$100 million was a priority for the City of Winnipeg or the Province of Manitoba and certainly not a priority that ought to be paid for by taxpayers' money.

#### Federal-Provincial Relations Political Climate Concerns

**Mr. James Carr (Fort Rouge):** We are concerned that federal-provincial relations have been reduced to shouting matches between federal Ministers and Members of this Government.

I would like to ask the Premier just what he thinks this is a symptom of? That we have no communication between the federal Minister, who comes to Winnipeg to talk about an important community project, and then a Minister of the Crown, one of his Ministers who talks about engaging in some kind of fisticuffal activity. Well, we are talking about arenas, Mr. Speaker, so it is appropriate.

Is the Premier concerned that federal-provincial relations in this province appear at an all-time low?

**Hon. Gary Filmon (Premier):** I would recommend to the Member for Fort Rouge that he read the notes of the statement that I made in Ottawa last Thursday at the First Ministers' Conference, at which time I indicated very clearly that I saw shadows of a reoccurrence of the very negative and damaging relations that had existed between the federal Government of Pierre Elliott Trudeau and the provinces of the '70s and early '80s. In fact, if the federal Government continues its unilateral actions on things such as the GST, or the regulation grab on the telephone system, or many other areas such as they are moving out of shared-cost federal-provincial programs such as the ERDAs and so on, we are into a very serious and very negative climate for federal-provincial relations in this country.

That comment elicited a very angry and petulant response from the Prime Minister, and I believe it was seen as such, but that comment is being played out as the truth in situations such as we are seeing where the federal Government is moving into supposedly shared-cost situations without consultation of one of the partners.

I cannot in any way condone that; in fact, I oppose it. Our Minister and our Members of Government have indicated that we do not believe that it is the right way to go.

**Mr. Carr:** It is one thing to have poor relations. It is another thing to stop talking.

### Lotteries Foundation Fort Garry Hotel Casino Lease

**Mr. James Carr (Fort Rouge):** I have a new question for the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson). The Minister has been at the gambling tables again, gambling away taxpayers' hard-earned money. The stakes are high and they are getting higher. I am afraid her luck has run out. The costs of the proposed casino with the Hotel Fort Garry are spinning out of control, and it is fast becoming a monument to this Government's managerial incompetence. Renovation costs have skyrocketed as the project has gone from one floor to two floors; the betting limit has gone from \$200 to \$500; the cost of new equipment has gone from \$100,000 to \$1.5 million.— (interjection)— I am getting to the question, Mr. Speaker.

**Mr. Speaker:** The Honourable Member, kindly put his question.

**Mr. Carr:** September 18 of this year—

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

**Mr. Carr:** Given the fact that on September 18 of this year, a statement of defence and counter claim—

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

**An Honourable Member:** You have blown your preamble, get to the question.

**Mr. Speaker:** Order, the Honourable Member for Fort Rouge, kindly put his question now, please.

\* (1340)

**Mr. Carr:** Thank you, Mr. Speaker. Given the fact that in September of this year a statement of defence and counter claim was issued against the hotel—

**Mr. Speaker:** Order, please. Is there a question here? Order, please. The Honourable Member for Fort Rouge.

**Mr. Carr:** . . . how can the Minister justify spending money on leasehold improvements—

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**Mr. Speaker:** Order, please; order, please. The Honourable Government House Leader, on a point of order.

**Hon. James McCrae (Government House Leader):** Mr. Speaker, my honourable friend seems to have a proclivity, maybe it is when his Leader is not near him, to disobey the Rules of this House, and he is doing it repeatedly and shows no concern for the fact that the Rules of the House must be obeyed. If he persists, Mr. Speaker, I suggest he not be seen to ask any further questions.

**Mr. Speaker:** I would like to thank the Honourable Government House Leader.

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**Mr. Speaker:** Order, please. The Honourable Member for Fort Rouge put his question now, please.

**Mr. Carr:** Mr. Speaker, I will get right to the point. How can the Minister justify spending money on leasehold improvements to the seventh floor when she is not even certain she has a valid lease?

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation):** Mr. Speaker, let me deal first of all with the lengthy preamble. One of the allegations that was made by the Member opposite, and if he understood Government and the Lotteries Foundation, he should know that there is not a cent of taxpayers' dollars that is going into the casino at the Fort Garry Hotel.

The money is coming from the Lotteries Foundation, which is a business, and ultimately a capital up-front cost to generate \$10 million per year to go to very worthwhile health care development in this province. It is something that this Government is not ashamed to move forward with.

### Casino Start-up Costs

**Mr. James Carr (Fort Rouge):** The Minister, who when talking about tax dollars and lottery dollars, says, a buck is a buck is a buck. Mr. Speaker, the Minister has indicated that she did not know what the price tag would be for casino preparation, and now we find out the cost will be \$4.5 million.

Can the Minister explain to the House why this Government would commit itself to the casino, when it had no idea what the cost would be?

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**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation):** Mr. Speaker, there has never been an indication that I never knew what any costs were going to be. There were going to be up-front capital costs in order to generate \$10 million per year for health care in the Province of Manitoba.

I am not ashamed to admit that the money that is going to go to special health care projects in this province to change over from institutionalized care to community-based health care services is something that this Government supports. This is a way that we can accommodate and make that happen. I make no excuses for that.

### Hotel Casino Upgrade Costs

**Mr. Speaker:** The Honourable Member for Fort Rouge, with a final supplementary question.

\* (1345)

**Mr. James Carr (Fort Rouge):** Mr. Speaker, when the present owner of the Hotel Fort Garry bought the hotel, the city required that the building be brought up to standards. That being the case, why does the Government now have to spend an additional \$1.5 million to upgrade the facilities?

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation):** Mr. Speaker, we have a heritage building in the Fort Garry Hotel, a building I might say that we are very proud of in this City of Winnipeg.

When changes had to be made on the seventh floor and on the 10th floor at the Fort Garry Hotel, there had to be renovations and those renovations in an old historic building sometimes are somewhat costly. If the wiring needed to be changed behind the walls in the Fort Garry Hotel, I believe that we have taken the responsible action for making the wiring and the safety as good as possibly can be.

### INTRODUCTION OF GUESTS

**Mr. Speaker:** Before recognizing the Honourable Member for Concordia (Mr. Doer), I would like to draw Honourable Members' attention to the loge to my left where we have with us this afternoon, Mr. Dave Barrett, M.P., the former Premier of the Province of British Columbia.

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

**Mr. Gary Doer (Leader of the Second Opposition):** We have such great excellent leadership candidates. You do not have to be part of the Millionaires Club like the Tories and Liberals to run for the NDP.

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

### ORAL QUESTION PERIOD (cont'd) Arena Site Proposal Parks and Forks Ban

**Mr. Gary Doer (Leader of the Second Opposition):** Mr. Speaker, indeed the \$4.5 million renovations which was raised by the Member for Logan (Ms. Hemphill) for the casino, the \$4.5 million renovations for the casino is only the tip of the chaos and iceberg that is going to happen when this Minister tries to implement her dress code at that casino and deny Manitobans the opportunity for coming in there.

My question is to the Premier (Mr. Filmon).

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

**Mr. Doer:** I have really gotten them excited here with this millionaire stuff, I am sorry.

Manitoba is a partner in the parks and Forks park area of some 50 acres of land which is part of the speculation and rumours of the new arena site, or the proposed arena site. Will the Premier today and his Government guarantee that as a shareholder of that site, a site that many of us worked very hard to put back in public hands, there will be absolutely no way that we will consider any option that would allow that arena to go into the publicly owned Forks area, the 50 acres of land that are so vital to that community?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** Mr. Speaker, as a shareholder in The Forks, to the Member opposite: I had a brief discussion with the mayor yesterday because I had the same concerns as he did in regard to the mention that it was actually to do with The Forks and, to the Member across the way, the arena site that is proposed is not on The Forks land.

### Ban Guarantee

**Mr. Gary Doer (Leader of the Second Opposition):** Mr. Speaker, I am very aware that the proposal is not now on that site. What I would like in this Chamber is a guarantee that the Province of Manitoba, which has a veto of development in The Forks, will not allow the new area no matter what option comes forward to go on the 50 acres that are publicly owned at The Forks site. I would like that guarantee today.

\* (1350)

**Hon. Gerald Ducharme (Minister of Urban Affairs):** Mr. Speaker, for one who was involved in the original Forks project in 1984, I am as concerned as anyone in this House to make sure that The Forks site is what it is planned to be, to be a type of growth, a park effort that is necessary for that particular area.

This is to the Member across the way. From the brief meeting that I had with the mayor after the discussions that came about as the result of a news item yesterday morning, I talked to the mayor quite briefly, and that particular arena is not on The Forks site.

**Mr. Doer:** I asked the Minister twice to give us the guarantee and he did not.

### Goods and Services Tax Corporate Tax Alternative

**Mr. Gary Doer (Leader of the Second Opposition):**

A supplementary question to the Premier. Yesterday it was revealed that in 1987, there were \$27 billion dollars in profits from 93,000 corporations that did not pay any taxes at all into the Canadian tax system. It is a system that has developed over the years under Liberal administrations and now is carried on by the Mulroney administration. We have reduced the share of corporate taxes in this country from 20 percent in 1965 down to 11 percent in '84 and down to 9 percent in '89.

I would ask the Premier: will he resubmit his statement to the First Ministers' meeting and ask for a minimum corporate tax to be the alternative rather than the GST, the 9 percent proposed tax, in this country?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I too read that news report from the non-leadership candidate in the federal New Democratic Party, and I think it was Mr. Nystrom. All the good candidates are not running.

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

**Mr. Filmon:** Mr. Speaker, I have no hesitation in saying that we, the Progressive Conservative Party of Manitoba, have consistently said that the federal Government ought to eliminate the loopholes, most of which were developed by the federal Liberal Trudeau Government, that allow corporations not to pay their fair share of taxes. We have consistently argued against that. We have consistently advocated that the federal Government eliminate those loopholes so that corporations pay their fair share of taxes. Those loopholes ought to be eliminated, and we will continue to tell the federal Government that.

### Corporate Tax System Adjustments

**Mr. Gary Doer (Leader of the Second Opposition):**

I would ask the Premier then, in his statement to the Prime Minister, to the federal Government, why he did not ask and demand that the loopholes be removed. He only raised an alternative as a question mark. He never proposed an alternative as a statement of the Manitoba position.

Will the Premier now resubmit the statement that was made at the First Ministers' meeting, which is devoid of any reference to a minimum corporate tax? It is devoid of any reference to ridding Canadians of the loopholes that are rendering our tax system unfair. Would he revise his statement so that the words he just uttered in this House will be consistent in terms of the words he presents to the Prime Minister?

\* (1355)

**Hon. Gary Filmon (Premier):** Mr. Speaker, we will continue to advise the federal Government through all sorts of avenues we have available to us. I make statements time and time and time again about what we believe—

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

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

**Mr. Filmon:** —should be happening. We are on the record as saying that we are against tax loopholes. We are against all of them. The crazy things that came in about SRTC's that were used by Liberal and New Democrat people in this province in the past, the system that the New Democratic Party brought in for tax avoidance when they put all the buildings of the Manitoba Government into a corporation to allow wealthy investors to avoid paying taxes in this province. We are against those. We are consistently against those and will continue to be against those. Even when New Democrats take advantage of them, we still will not think that they are the right thing to do.

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

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

### Manitoba Telephone System Emergency Service Upgrading

**Mr. Gilles Roch (Springfield):** Today we learned that due to archaic equipment, a Winnipeg police emergency operator needed 27 minutes to trace the address of two Winnipeg women who called the 911 assistance line. Shortly after emergency teams arrived, one of the victims died of multiple stab wounds, and her 86-year-old mother died later in hospital. Mr. Speaker, unfortunately for Mrs. Shimizu and her daughter, we will never know if an immediate response would have saved their lives.

My question is for the Minister responsible for the Manitoba Telephone System. What action is this Government taking to correct a very inadequate emergency system which is currently jeopardizing the lives of Manitobans?

**Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act):** Mr. Speaker, what happened was a very serious event and very unfortunate to the two people involved, but I think the Member needs to understand the system.

Manitoba Telephone System has the lines. They own the lines. The response operator is hired by the City of Winnipeg, and they man that phone 24 hours a day. They received the call. The kind of equipment the city has in place does not have an automatic number identification on it. In fact, in order to trace a call they have to phone the Manitoba Telephone System, which we understand they did, and the Manitoba Telephone System traced the call and found the number. Then you have to identify the number with an address. So there was an automatic problem with time, and the equipment is now available for automatic number identification.

The Manitoba Telephone System has had proposals in front of the City of Winnipeg to use more modern technological receivers so that there is a much better ability to identify numbers, but once you know numbers

you still have to be able to tie it up with addresses. The equipment is available, but I would also caution the Member that does not guarantee that 100 percent of the citizens will have automatic number identification. That only works where a digital switch is used, and 89 percent of the people in the City of Winnipeg now have digital switches available to them. It will be a vast improvement over what is there, but there is no guarantee that even automatic number identification would give a faster response in terms of finding out the number followed by the address in situations of that nature. We are very seriously concerned with it, and the Telephone System is going to be talking to the city about improving the ability to respond.

### Emergency Services Upgrading Quotes

**Mr. Gilles Roch (Springfield):** We have also learned that the Government has requested a quote from GEC Plessey Telecommunications among others for implementing an automated 911 service similar to the system currently in place in Saskatchewan, which automatically sends to police the names and addresses of callers to the 911 line.

Will the Minister tell this House what the submitted quote was, and what decision this Minister has made?

**Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act):** Mr. Speaker, there is only one province in the country of Canada that has a 911 system, and I believe it is New Brunswick or Nova Scotia, one of those two provinces down east. It is not Saskatchewan.

It is our objective, it is my objective, as Minister that we have in the province one emergency response number 911. We have asked the corporation to study the ability, technology-wise, to put that kind of a number in position for all of the residents of rural Manitoba and the province.

### Rural Program Extensions

**Mr. Gilles Roch (Springfield):** I am glad to hear that answer, Mr. Speaker, because last year the Minister was telling us it was not possible. Due to prohibitive costs, many rural municipalities are without the lifesaving services of 911.

Will the Minister make a commitment today to facilitate automated province-wide 911 service to prevent further loss of life? Will he make a commitment?

**Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act):** Mr. Speaker, given the technological ability to do that with reasonable cost, the answer is an absolute emphatic, yes.

### Sexual Abuse Policy False Accusations Protection

**Mrs. Iva Yeo (Sturgeon Creek):** After much urging from the Liberal Party, the Minister of Education (Mr.

Derkach) has finally requested that school divisions respond to students' charges of sexual abuse against teachers by removing the teachers from physical contact positions, but fortunately no longer by denying that teacher his or her salary, at least until a full investigation and/or conviction is made. The teachers are breathing a little easier but still have several questions, as do many concerned with the students who may maliciously place accusations on unsuspecting instructors.

What is the Minister's policy to deal with students who falsely accuse a teacher with sexual abuse?

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Speaker, just as always, the Liberals, they act as Johnny-come-lately and then they try to take the credit for actions of the Government, but I can tell you that my department has been on top of this matter all along. In fact when the Member for Sturgeon Creek (Mrs. Yeo) tried to accuse this department of not doing anything, we had already acted on the matter.

With regard to what my department can do, in terms of when charges are laid against a teacher, we are very limited in that respect. We can either refer the matter to the Certificate Review Committee, or we can suspend the certificate until the charges have been dealt with. Those are the only ways in which we can deal with those matters. Otherwise, those matters are dealt with by the police and through the courts as they should be.

### Child Protection Centre Contact

**Mrs. Iva Yeo (Sturgeon Creek):** My question was with regard to the students who may have placed the charges, and I am wondering if the Minister has had any contact with the educational team of the Child Protection Centre because these are people who are trying to educate and to counsel troubled young people.

\* (1400)

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Speaker, there is no way that my department is going to begin laying charges against students for mischief or any other matter of that nature. All we can do is ensure, through our family life programs in schools and through the education system, that we ensure that indeed students are aware of the facts that if you lay charges where they should not be laid that is a very serious matter. Through our education system, we can dispel that kind of information, but certainly we cannot take action against an individual student when in fact that student may have made an accusation which proves to be false.

### Certificate Reinstatement

**Mrs. Iva Yeo (Sturgeon Creek):** Again to the same Minister, Mr. Speaker, what action is the Minister currently taking to assure the reinstatement of the teaching certificate of the teacher from Rivers in light of the fact that the charges were stayed on August 29?

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Speaker, this once again points out to

the necessity of the amendment to The Public Schools Act that has been proposed in this Legislature because in some instances, and in one instance in particular when the charges were dropped against the teacher, the school board did not notify my department for a month afterwards.

For that reason, it is impossible for my department to take action beforehand. For this reason, we have insisted that when a charge is laid, the superintendent must in fact inform my department immediately. In cases where charges are dropped or where a charge is dismissed, that teacher's certificate will be reinstated automatically, but that will not mean that that certificate is not going to be referred to the Certificate Review Committee.

### LynnGold Negotiations Package Details

**Mr. Jay Cowan (Churchill):** Mr. Speaker, throughout the past few weeks, the Minister of Energy and Mines (Mr. Neufeld) has constantly indicated that his Government has prepared a worse case scenario to deal with the hardship created for Lynn Lake residents that will result from the failure of the provincial Government to successfully negotiate a deal with LynnGold, that would allow for the continuation of mining and milling operations in Lynn Lake. Now that worse case scenario has become a worse case reality with the apparent end of the negotiations.

Can the Minister indicate the details of that package and the cost to the province of the various components of that package?

**Hon. Harold Neufeld (Minister of Energy and Mines):** Well, Mr. Speaker, I will answer the last question first. It is impossible to determine the cost at a time when we do not know how many people will be leaving Lynn Lake. There is in place a relocation assistance plan funded partially by the federal Government and will be topped up by the Manitoba Government. There will be aid to the LGD of Lynn Lake because of the decrease in the tax base because the company is no longer paying its grant in lieu of taxes. There will be a number of other programs that will come into play. The hospital will of course receive aid from the Department of Health, the LGD will receive aid. The school board will receive aid because of the tax base that has been eroded.

**Mr. Cowan:** The Minister is indicating that he does not know, at this point in time, this late stage in the game, how much it will cost.

### Property Equity Protection Plan

**Mr. Jay Cowan (Churchill):** There is another issue, which the Minister did not respond to. On October 31, the Minister responsible for Seniors (Mr. Downey) during his Estimates review said he would be making representation to his Cabinet colleagues to help them put together a program to help Lynn Lake residents save their equity in their homes.

Can the Minister of Energy and Mines indicate what action this Government has taken to protect the equity

that Lynn Lake residents have invested in both their homes and their property?

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**Mr. Speaker:** The Honourable Minister of Northern and Native Affairs, on a point of order.

**Hon. James Downey (Minister of Northern and Native Affairs):** Yes, Mr. Speaker. I would like the Member for Churchill to not put misinformation on the record as it relates to what took place during Seniors Estimates, and what he put on the record was not said by me, as Minister.

**Mr. Speaker:** The Honourable Minister does not have a point of order, dispute over the facts.

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**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Speaker, it has been said before, and I will say it again, there is no precedent in Canada for the payment for equity on houses. The Government has not discussed this issue, but I will expect to be asked for some help from the residents. We have at this point in time not discussed the issue. I must repeat there is no precedent in Canada for the payment for equity lost in houses due to a shutdown of a principal industry in the town.

**Mr. Cowan:** Mr. Speaker, well, the Minister betrays his ignorance again because there are in fact precedents with respect to equity in homes, but we will discuss that at another date.

### Financial Protection Instructions

**Mr. Jay Cowan (Churchill):** On September 5, the Minister of Energy and Mines told the Lynn Lake mayor and council in a meeting that his Government would not allow the banks, and I assume that meant the other creditors, to place LynnGold into bankruptcy.

What action has his Government taken, and what action will they be taking to fulfill that commitment to the workers of LynnGold and to the other secured and unsecured creditors of LynnGold?

**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Speaker, the Member for Churchill places a lot of information on the record. He was never at any meetings where anything like this was said. He was never at a meeting where I was at. I have never ever said to the member of the Council of Lynn Lake that we would not allow the company to go bankrupt. There is no—

**Mr. Cowan:** I have the minutes.

**Hon. Gary Filmon (Premier):** He said we would not put them into bankruptcy.

**Mr. Cowan:** No, no. That is not -(inaudible)-

**Mr. Filmon:** That is right, that is right. You were not there.

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

\* (1410)

**Mr. Neufeld:** Mr. Speaker, I nor any Member of the Government has any control over what the company may do. I or no Member of this Government has any control of what some of the creditors may do. Indeed, we have no control over what the unions may do. Mr. Speaker, this Member for Churchill, a week ago, stood with the company to try to pressure the Government into—

**An Honourable Member:** He did not care about the employee.

**An Honourable Member:** Listen to him. Listen to him.

**An Honourable Member:** He called him an idiot.

**An Honourable Member:** Mr. Speaker, it is the truth.

**Mr. Speaker:** Order, please. The Honourable Minister of Highways and Transportation. Order, please.

#### POINT OF ORDER

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

**Mr. Jay Cowan (Churchill):** On a point of order, Mr. Speaker. The Minister of Energy and Mines (Mr. Neufeld) just said from his seat and was heard by other Members on this side, other Members of the other Opposition, that I was, in his terms, an idiot. I would ask him to withdraw that remark.

**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Speaker, I call them as I see them.

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

**Mr. Speaker:** Order, please. Order. On that point of order raised by the Honourable Member for Churchill, the Chair did not hear the remarks but the Chair will listen to the tape on the interject mikes.

#### Rural Development Toll-Free Services

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, yesterday the Member for Flin Flon (Mr. Storie) raised certain questions in this House and in his usual way of trying to leave the wrong impression, or not being totally forthright, tried to give the impression that rural and northern people could not access the 800 number in this province that there was a change in policy.

Mr. Speaker, I want to indicate that there has been no change in policy, that all 800 numbers that have been accessible—

**Mr. Speaker:** Order, please; order, please. Is the Honourable Minister responding to a question taken as notice?

Order, please. Order. Bring me the list.

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**Mr. Speaker:** On a point of order, the Honourable Minister of Rural Development.

**Hon. Jack Penner (Minister of Rural Development):** If it would please the Speaker, the question yesterday was directed to me, and I indicated to the House that once I had the information I would bring the information back to the House. I am prepared to do that.

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**Mr. Penner:** I would like to set the record straight, that the system that is currently in place when the former administration was there, there had been no changes to the calling process of the 800 number.

To satisfy ourselves, I had staff from my department yesterday make calls to Dauphin and had some people from Dauphin call in through the 800 number to our department. They got through without any problem and thanked our staff for the efforts that they had in fact initiated. We made that same call, Mr. Speaker, to Thompson to indicate clearly to ourselves whether the numbers were in fact inoperative, or whether there was some mistake. The 800 number was used, they were put through to our office, without any problem, so there have been no changes and the information that the Honourable—

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

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**Mr. Speaker:** The Honourable Member for Flin Flon (Mr. Storie), on a point of order.

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, it has just impugned the information that I had provided and my reputation. For the Minister's information, this morning the Flin Flon Crisis Centre called the 1-800 Citizens' Inquiry number, asked for the Assessment Office of Rural Development and was denied access—

**Mr. Speaker:** Order, please; order, please. The Honourable Member for Flin Flon kindly assume his chair now, please. The Honourable Member for Flin Flon assume his chair now.

Order, please. On the point of order raised by the Honourable Member for Flin Flon, the Honourable Member does not have a point of order, it is a dispute over the facts.

#### Senate Reform Committee Announcement

**Mr. James Carr (Fort Rouge):** Mr. Speaker, my question is to the Premier.

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

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**Mr. Speaker:** Order, please. The Honourable Member for Fort Rouge.

**Mr. Carr:** At last week's First Ministers' Conference there seemed to be a consensus that a special meeting could be called in November of 1990 to talk about Senate Reform. As the Premier knows, the Manitoba task force unanimously recommended that the Premier establish a Manitoba committee to lay out a Manitoba position on the very subject of Senate Reform. Since the Premier has stated publicly that he accepts all of the recommendations contained within the task force report, when does he intend to announce the creation of the Senate Reform Committee?

**Hon. Gary Filmon (Premier):** Soon, Mr. Speaker.

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

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

### Committee Make-up

**Mr. James Carr (Fort Rouge):** With a supplementary question to the Premier, if I may. The task force did not specify the shape that the committee should take, leaving that to the discretion of the Premier in consultation with Members of the Opposition. Can the Premier give us any advice on just what kind of make-up the committee will have, and can he give us assurances today that it will reflect the legislative standings in the House?

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

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

**Hon. Gary Filmon (Premier):** I will certainly be giving it careful consideration, and I can assure the Member for Fort Rouge (Mr. Carr) that it will have representation from both sides of the House.

\* (1420)

**Mr. Carr:** I have no doubt that a committee of the Legislature will have representation from both sides of the House.

### Committee Guidelines Assurances

**Mr. James Carr (Fort Rouge):** What I am looking for is a commitment from the Premier that that committee will reflect the standings within this Legislature. Can he give us those assurances today?

**Hon. Gary Filmon (Premier):** I thought maybe he would like to have it reflect the current standings in the polls. I am sure that—

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

**Mr. Filmon:** Mr. Speaker, I will certainly give his advice very careful consideration.

### South African Embassy External Affairs Intervention

**Hon. Gary Filmon (Premier):** While I am on my feet, -(interjection)- I just asked for permission to respond to a question that I took as notice from the Member for Concordia (Mr. Doer) yesterday. I know that it is a very serious series of questions and I would like to give a report, if I may.

I was greatly disturbed at the allegations that were brought forward to this Chamber about the South African Embassy having hired at least two Manitobans to spread propaganda and information gathering activities on behalf of the Government of South Africa.

I was pleased to learn that in investigating that, the Right Honourable Joe Clark, the Minister of External Affairs, Secretary of State for External Affairs, had proceeded immediately to call in the South African Ambassador to investigate the situation and to question him on the matter, a very serious action indeed on his behalf.

I was also pleased to learn that CSIS had been investigating this matter and that it was currently under investigation. At this point in time, I might indicate that we have no information that says that the allegations have been confirmed. They remain under investigation, and I say that we will wait until we get the full confirmation or denial of the story from the External Affairs Department.

I might say that to the South African administration, whether they hire two or 200 Manitobans for this sort of activity, I am convinced that Manitobans will remain outraged at the South African position with respect to apartheid.

I believe that Government would be better served to lend its efforts to removing and dismantling apartheid than to try and convince people anywhere in this world that it is the right way to go.

### Public Health Facility Construction Plans

**Mr. John Plohman (Dauphin):** Mr. Speaker, just a month ago during debate on a resolution for a public health facility in Dauphin that I had introduced in this House, the Minister of Health (Mr. Orchard) indicated that his priority was a 25-bed personal care home expansion in Dauphin. He said that this was going to be fast tracked and now over a month later since he made those statements in this House and one-and-one-half years since he took office, the Minister of Health (Mr. Orchard) still has given no assurances to the people of Dauphin that this facility will proceed immediately. I ask the Minister, can he now indicate today when the construction of this facility will begin?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, my honourable friend will have to await with patience for the tabling of the Capital Estimates, when we reach that line in the Health Estimates. I just want to tell my honourable friend that the priority of this Government is not a \$30 million bridge to nowhere



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north of Selkirk. It is people projects, not like the former Minister of Highways and Member for Dauphin.

**Mr. Speaker:** The time for Oral Questions has expired.

### INTRODUCTION OF BILLS

**Mr. Bill Uruski (Interlake):** Mr. Speaker, I wonder if I could have leave of the House to revert to Introduction of Bills.

**Mr. Speaker:** Does the Honourable Member for Interlake have leave to revert back to Introduction of Bills?

**Some Honourable Members:** Leave.

### BILL NO. 85—THE ELECTIONS AMENDMENT ACT

**Mr. Bill Uruski (Interlake)** introduced, by leave, Bill No. 85, The Elections Amendment Act; Loi modifiant la Loi électorale.

**MOTION presented.**

**Mr. Uruski:** Mr. Speaker, as is customary, I would like to present Members with a brief introduction to this Bill. This Bill follows along a long standing tradition of this Assembly where we have, generally by committee, and as a result of committees, by consensus gone ahead and hired the Clerk of this Assembly, by an all-Party committee to select our Clerk. We have by legislation an all-Party committee to select the Ombudsman of this province, and what I am proposing in this amendment to The Elections Act is that an all-Party committee be established—and by legislation that all Parties be involved in this election of the Chief Electoral Officer.

Mr. Speaker, I would like to take this moment to express my sympathies and condolences to the family of Richard Willis who was our returning officer and served this province well. I am sure that he would have been one of those who would have been willing, as a Member of this Assembly, to use an all-Party committee for the selection of that position.

Mr. Speaker, we as well in this Assembly have by law a Boundaries Commission that is the envy of most Legislatures in this country, which sets the boundaries of electoral divisions. Let us follow that tradition and move in the way of having the Chief Electoral Officer's position filled by an all-Party committee.

**QUESTION put, MOTION carried.**

### NON-POLITICAL STATEMENT

**Ms. Judy Wasylycia-Leis (St. Johns):** I wonder if I could have leave to make a non-political statement.

**Mr. Speaker:** Does the Honourable Member for St. Johns have leave to make a non-political statement?

**Some Honourable Members:** Leave.

**Ms. Wasylycia-Leis:** Mr. Speaker, on behalf of Members in my caucus, I would like to recognize the fact that this week is Community Centres Week. The week of November 12-18 is a week set aside to pay tribute and to recognize the work of community centres. I am sure all Members in this House will agree with the importance that is attached to community centres and plays a very vital part of our community and to, if I can just get the name right, the General Council of Winnipeg Community Centres, which is an umbrella group for all community centres in the city and working with volunteers, and which is holding its 50th Annual Leadership Conference this week at the Fort Garry Place.

\* (1430)

So on behalf of everyone in this House, we pay tribute to all of those who have made community centres a vital part of our community and recognize Community Centres' Week.

### ORDERS OF THE DAY

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

**MOTION presented.**

### MATTER OF GRIEVANCE

**Mr. Leonard Evans (Brandon East):** I rise on a motion of grievance. Mr. Speaker, I would like to take the opportunity to state my grievance for this Session with regard to efforts by this Government to privatize the Manitoba Public Insurance Corporation, General Insurance lines and also the Manitoba Data Services, a very successful and profitable Crown corporation that has served the people, the taxpayers of this province, for many years in a very, very excellent way.

I do not know whether the Minister responsible for MPIC (Mr. Cummings) has yet looked at his mail, but I am sure he would have received a letter by now. He should have received a letter signed by about 70 employees of the MPIC, General Insurance Division, who are very, very anxious about the future of their jobs.

The fact is that this Minister has stated, at the time of the election, that MPIC General Insurance would be sold or divested in some way. We are here in the middle of November 1989, and the employees are still wondering what is going to happen.

As of November 4, 1989, the Free Press had a story quoting the Minister to the effect that he was going to proceed with the sale of this company.

To quote from the letter that the Minister should have, dated November 15: as employees directly affected by the forthcoming sale of the General Insurance

Division, as announced in the November 4, 1989, addition of the Winnipeg Free Press, we are seriously concerned about our future.

I am reading, Mr. Speaker, from the letter signed by these 70 employees: while the newspaper article mentions a purchaser would have to ensure that employees are fairly treated. This is nowhere defined, thus we are most anxious to know specifically what detailed arrangements are in place to protect the interests of existing staff?

Please respond as soon as possible, since the ongoing uncertainty is extremely harmful both to us as individuals and to the MPIC as an organization. That is the end of the letter, and it is signed by I believe 69 persons who are employed in the General Insurance lines.

It is my contention that this Minister is going down the wrong course, because he now has a report that the Public Utilities Committee of the Legislature requested asking for an analysis of the operations of the personal and commercial lines of the General Insurance Division. In that report, nowhere does it suggest or recommend to the Minister, to the Government, that the MPIC General Insurance personal and commercial lines be sold or in anyway be gotten rid of.

That is not the recommendation of the report, and yet he makes a statement on November 4, which seems to infer that now we have got this report, now for sure we have to sell this segment of MPIC, but that is not the case. As a matter of fact, the report has more advantages listed for keeping MPIC in general insurance than it has disadvantages.

It does relate to the fact that division has had difficulty in making net revenue or making profit if you will over the years, but there has been a significant turnaround. There has been a terrific effort made by the staff, by the corporation, to improve the operation and indeed according to the report that was prepared by Ernst & Young consulting on behalf of the committee, on behalf of the Minister, it states that as of July 31, 1989 the commercial lines showed a profit of over \$1 million.

**Mr. Speaker:** Order, please. I am having great difficulty hearing the remarks being put on the record by the Honourable Member for Brandon East.

**An Honourable Member:** Funny, I hear his every word.

**An Honourable Member:** I will trade you, Mr. Speaker.

**Mr. Leonard Evans:** This is a very serious matter affecting many employees and their families. They do not know whether they are going to have a job next month or not, and I would trust Members would not treat this matter lightly.

They may not have heard, but the Minister responsible for MPIC now has the letter signed by 69 individuals wondering what is going to happen. They say they are very anxious to know. They and their families are pleading with the Minister for some specific information. They want to be fairly treated, and I would trust the Minister would want to see that they are fairly treated.

As I said the report prepared for the Minister nowhere suggests that the company should be sold. As a matter of fact, the report indicates a substantial profit for the commercial lines, and for the personal lines there has been a dramatic turnaround as well. The amount of money; yes there has been a loss, but it is significantly less than in the past if you take the commercial and personal lines together as a section of the corporation. That section is profitable.

It goes beyond just making profit. I mean we want public organizations to be able to pay their way, so it is not subsidized by the public. I am sure all of us share in that desire, but at the same time we must not lose sight of the fact that the General Insurance Division plays a very important role in this province to this society. I would like to remind Members that there are countless numbers of organizations and people in this province who cannot get private insurance, or if they get it, it is at such a cost that it would drive them out of business or they could not operate.

I will give you some examples, the Manitoba Practical Nurses Association are dependent on MPIC for insurance. The Manitoba Childcare Association and its associated day care centres are depending on MPIC for insurance. There are many, many recreational facilities and companies that cannot get insurance. There are riding stables and ski resorts in this province that cannot get coverage. There are many marina operators, and one very popular recreational facility namely the Prairie Dog Central relies on MPIC for its insurance. So if you wipe out MPIC, you may be wiping out the Prairie Dog Central as a recreational facility in this province, because the rates that the private sectors are charging are just formidable. It just would not allow many of these operations to carry on.

Construction contractors who undertake municipal and other projects in the North, including the town of Churchill and Native settlements, depend on MPIC for insurance. Without MPIC, for instance, I do not believe that we would have contractors willing to work up in the town of Churchill or to engage in other municipal public works on behalf of communities in the North.

There are many school boards that depend on the General Insurance Division of MPIC. There are a number of small businesses. I mentioned some recreational businesses, but there are aerial spray applicators and pest exterminator firms, for example.

I received, as a matter of fact, a copy that was sent to the Minister of MPIC this was last May of 1988 expressing their concern. I will just read one paragraph from the owner of this small business in the City of Winnipeg, quote: we are extremely alarmed by the announcement that was made in the Winnipeg Free Press newspaper on Tuesday, May 10, 1988, which states that you are going to eliminate the General Insurance Division of MPIC.

Are you aware of the fact that you will be putting our company out of business by eliminating the General Insurance Division of MPIC as there are no private insurance companies that will insure us for liability insurance, and thus we will not be able to obtain our pesticide applicators licence?

(Mr. Jerry Storie, Acting Speaker, in the Chair)

\* (1440)

In other words, Mr. Acting Speaker, this company says it will not be able to operate if MPIC goes out of the general insurance business. It will go out plus other companies like it in the City of Winnipeg. As I said, there are all these other organizations. There are hundreds and hundreds of organizations and individuals who are dependent on this, and I do not know whether the Minister realizes. I wish the Minister was able to listen to me. Unfortunately, he is not able to listen to me, and I cannot say why he is not able to listen to me, but I trust he will read my remarks in Hansard—

**An Honourable Member:** I wish you would do MDS first, because I have to leave too.

**Mr. Leonard Evans:** Well, Mr. Acting Speaker, one at a time. The fact is, the report that was prepared for the Minister and for the committee stated that this was one of the advantages of keeping the Government in this business. That is stated quite clearly on page 23.

There are other advantages, according to the report, why the Government should carry on. Another one is, it acts as a stabilizer in the marketplace. MPIC has an ability, they believe without incurring losses, to offset what could be happening in the private sector. I might add, according to some insurance insiders, they believe that is one of the strongest arguments for retaining MPIC general lines, because it prevents massive price gouging by the industry.

These are the words that have been used by agents in the business, that it prevents price gouging that can occur from time to time. By price gouging, I mean where there are two or more insurers acting in collusion or in concert and decide, somehow or other, to divide up the coverage areas and then jack up the premiums.

The fact is that this is a benefit. Therefore, it is a benefit to the people of Manitoba, to policy holders present and future, to have the MPIC in the business to act as this counter balance, to act as a stabilizer. It is very difficult to measure this, but nevertheless, this is a significant benefit to the people of Manitoba. It is not measured in the balance sheets of MPIC, but there is a value there as well. To the credit of the Ernst & Young consulting company, they did point this out as an advantage for carrying on in the business.

Another advantage is, it would allow the Government to obtain other social objectives, which you might have from time to time with regard to General Insurance. It says there may or may not be financial costs associated with this. Nevertheless, this is an advantage. The Government can, through its corporation, through the general lines business, allow for certain social objectives to be met, for instance, such as day care centres to operate that may not be able to operate otherwise. Then this is good, and this is of value.

A fourth advantage that the report refers to is employee retention, and that is the retention of jobs. Now, the number of jobs will vary depending on which section you are talking about, but there are a lot of

jobs, both in Winnipeg and in the City of Brandon, and many of these are what are referred to as "underwriting jobs." Both in the personal and commercial lines, there are many, many people engaged in underwriting, many dozens of people.

The fact is, if MPIC gets out of this business those underwriting jobs will not go to a private company in the Province of Manitoba, because my information is this underwriting task is largely done outside of the province, in Toronto or Montreal, who knows, New York, Chicago, wherever, but we do not have that kind of work available in the province.

So it is not a matter of saying, well, we will privatize it, those jobs will be picked up by the private sector anyway, that is not the case. Those jobs will be gone. They will be gone, I would submit, probably forever if this Minister proceeds or the Government proceeds to sell off this company. So there are many, many reasons why the Government should carry on.

The report does refer to a very important problem, and that is, the fact that there has been some erosion of the sales by the corporation. They have been improving their profits, but there has been some erosion of sales. Partly, it is because of the attitude and the statements made by this Minister.

This Minister has made statements from time to time, since being in office the last year and a half, hinting, well, at some time we are going to get rid of it or we are considering it, it is business as usual now. At one point he said, but eventually we are going to get rid of it, we are going to sell it, we are going to divest ourselves of it. In the meantime, what are the agents to do? What are the agents expected to do who are supposed to be selling these policies?

I understand that the General Insurance lines have come up with some new favourable packages, packages of protection that are very attractive. They have recently had meetings with the people in the industry to explain to them some of their new offerings and so on. Very attractive, but the agents are saying, fine, you are coming up with some new packages of insurance coverage that look very attractive, but are you going to be in business next month or six months from now? How do you expect us to sell this to people who do not believe that you are going to be in business?

The report refers to this as a problem. It says unless dealt with soon this erosion may place MPIC in a position where it finds itself by default out of the personal and commercial business, and further delay will make some strategic options more difficult to implement. That is a direct quote from page 3 of the report, Mr. Acting Speaker. I say that the Minister and the Government in handling this is ruining the business that is existing there, and furthermore they are causing a great deal of anxiety to the employees and their families, and it just is not fair.

I would say that it borders on utter callousness for this Minister to carry on; he seems to be indifferent to it. He is not here to listen to my words although he was originally listening. He seems to be indifferent to my criticisms of this and the concerns that I have. These

employees and their families, many live in my constituency, but there are just as many—in fact there are more that live in the City of Brandon. I have talked to many of them, and I know they are very anxious. They wonder what is in store for them, what will happen to them and their families.

Mr. Acting Speaker, it is a real joke. This Government pompously talks about how concerned they are about decentralization, all their great ideas of decentralization, and every once in a while we get some huffery and puffery as to what is going to happen. Well, who knows, maybe someday we will get a statement, but in the meantime they are undermining a substantial number of jobs in the City of Brandon. I am sure the Minister of Brandon West, or the Attorney General (Mr. McCrae), would be very anxious I would hope that there be as many jobs as possible in the City of Brandon.

That is part of decentralization. That is part of regional development within this province, and yet in a major way this Government is in the process of undercutting good solid jobs in that city. This is where the major underwriting goes on, in fact all the underwriting goes on for the personal lines handled by MPIC, and in one stroke this Minister and this Government is going to put all those people out of work. Well, I say so much for decentralization, so much for jobs outside of the City of Winnipeg.

You know, this whole process makes a mockery of what the Premier (Mr. Filmon) and the Minister of Rural Development (Mr. Penner) talk about, decentralization. It is just an utter bunch of nonsense from the mouths of the Government side when they are talking about how concerned they are about decentralization, when they are attacking something that is well established, and as I said is performing a service that is useful and good within the province.

Mr. Acting Speaker, the report goes on and analyses the financial operations in some detail, and as I said, it makes it clear that there has been a considerable amount of progress, that there has been a reversal of past trends, and that given an opportunity both the commercial and the personal lines would be profitable. The commercial lines are now substantially profitable and, given some additional time the way the personal lines are going, they should be profitable very soon as well.

\* (1450)

I say simply, why not leave the corporation alone, just let the Government leave its hands off MPIC, let MPIC management and staff do their thing. They are performing a valuable service for the people of Manitoba. They are acting it as a counterbalance to probably some excessive rate increases we could see around this province. They are acting in a way that helps a lot of social agencies, small business who cannot get insurance otherwise. So I say leave them alone, and they will carry on and improve their financial position.

There should be no question that they are a net asset to the province, but as I said, Mr. Acting Speaker, and again I look at page 13 of the report that the executives

of MPIC have the impression that most agents and brokers want to have the uncertainty regarding the future of the P and C operations of MPIC resolved, so that the agents can then go ahead and plan their future product offerings to their customers with some certainty.

I say we probably have the worst of all possible worlds. The Government keeps on saying they are going to sell it. In the meantime, the MPIC is supposed to try to do its best to make a go of this, and every once in a while the Minister issues a public statement or is quoted in the media, and he undermines the good work that is being done by the corporation and by the staff. Well, that, Mr. Acting Speaker, is just not acceptable. It is poor administration. It is poor Government.

I can tell you that there are many people in the province who are concerned. I have mentioned one letter that I received from a small company, but there are these other organizations that are very concerned as well that they may be put out of business by the actions of this Minister and this Government.

Tell this to the Practical Nurses Association or tell this to the Manitoba Child Care Association or tell it to the people who run the Prairie Dog Central which is a very fine summertime recreational facility and attracts tourists to the Province of Manitoba. Tell it to these people what you are up to. I do not know whether all of them realize that this Minister is about to put some of them out of business. That is what this Government is about to do.

Well, Mr. Acting Speaker, I can tell you the people of Brandon are very anxious about what is happening. The City Council passed a resolution on this matter last year. I know the Chamber of Commerce has written, and the Economic Development Board has written, I know the Brandon and District Labour Council has taken a stand, all concerned about the loss of jobs in the City of Brandon. As I said before, this move, this statement, this act by the Government makes a mockery of everything they have said about decentralization, a pure total mockery.

I can tell you that when the MGEA president, Mr. Peter Olfert, appeared before the City Council of Brandon—this was about a year ago in November of 1988—the City Council received Mr. Olfert very well. He presented a comprehensive brief explaining the situation with regard to General Insurance of MPIC and he was very well received. The council unanimously supported the position of MGEA and presumably conveyed that view to the Minister and to the Government. But this Minister and this Government seems to be oblivious to all of that, oblivious to the stand of the Chamber of Commerce, the Labour Council, oblivious to the stand of the City Council.

Also, Mr. Acting Speaker, I would remind the Minister and the Government that we had a petition which was signed by thousands of people in the area and indeed from other parts of Manitoba urging the Government to reverse its decision to eliminate the General Insurance division. I participated in getting some signatures, but I can tell you we got lots of support from the community. It was no difficulty at all in getting people to sign the petition. We went to various community malls, other

community places, and people to a man, to a woman, were aghast that this Government was about to eliminate a large number of jobs in the City of Brandon.

What is this Government doing to us? They talk about decentralization and they are shafting us, where do I sign, and we got thousands of signatures, Mr. Acting Speaker. At any rate, regardless of what we seem to do, it falls on deaf ears. We have had delegations, the City Council was supposed to have sent in a delegation, we have had letters, the Minister has had letters from some small companies, I have asked a number of questions, I have brought forward resolutions, I have made it a habit or a point of asking questions from time to time in the House on the matter, and we seem to be punching pillows.

Every once in a while you get this article in the paper with a picture of the Minister saying that MPIC General Insurance is up for sale. Here it is, November 4, 1989, Saturday edition of The Winnipeg Free Press, "Insurance Division up for Sale—Government ready to accept offers for MPIC general arm."

Well, I say, Mr. Acting Speaker, that this is not in the public interest; it is not in the interest of those policyholders who are very vulnerable; it is not in the interests of the employees; it is not in the interests of Manitoba society, those policyholders who are dependent on this; it is not in the interest of jobs in this province because you are going to lose underwriting jobs that will go out of the province that we will not get; and it is not in the interest of decentralization of economic activity which we always seem to give a lot of lip-service, to but all we have seen is the reverse. Instead the Government gives lip-service to decentralization, then turns around and sticks it in the back, more or less, of the communities by eliminating jobs.

There are other examples I could point out, Mr. Acting Speaker, that I could refer to about eliminating jobs. One of this is the fact that a major nursing home is closing in the City of Brandon, albeit a time-expired facility, the International Nursing Home. At one point it had 44 staff and it accommodated approximately 40-or-so people who were handicapped. Admittedly, it was one that had seen better days but, nevertheless, we had that eliminated. The jobs were eliminated, 44 jobs, thank you very much, that is decentralization. It was a decision made by the department, by the Minister, they would no longer fund that facility. No attempt was made to replace those beds with new beds in the area. So much for 44 jobs.

Similarly with the Rideau Park facility, another 15 jobs approximately were eliminated. Again, thanks a lot for your decentralization efforts. In the meantime, we do not have enough staffing to look after patients at BMHC and the patients at the Rideau Park facility. They say thanks a lot to the Filmon Government for decentralization. We are going backwards.

Well, as I said, I would urge this Minister to admit to the fact that the report gives a lot of good reasons why we should carry on in the General Insurance business. I would hope therefore that he will see the light and recognize this and say to the public and say

to the industry, yes, we are going to be in it. We are going to stick by MPIC, and give them a chance to carry on and continue to provide the valuable service that they do to the people of the Province of Manitoba.

I would hope that we do not get this continuous line that we have been getting from the Minister. While we are going to sell it some day and every once in a while he gets reported in the press to that effect, in the meantime killing the business, he will not have to eliminate it. He would simply—

(Mr. Richard Kozak, Acting Speaker, in the Chair)

**The Acting Speaker (Mr. Kozak):** The Honourable Member for Inkster (Mr. Lamoureux) on a point of order.

**Mr. Kevin Lamoureux (Inkster):** Mr. Acting Speaker, I wonder if we can have a Chamber count.

**The Acting Speaker (Mr. Kozak):** The Chair would request all Members present to rise.

**Mr. Clerk (William Remnant):** Mr. Cheema, Mr. Kozak, Mr. Lamoureux, Mr. Leonard Evans, Hon. Mr. Penner, Mr. Helwer, Mr. Praznik, Hon. Mr. Neufeld, Hon. Mr. Ducharme, Mr. Burrell.

**Mr. Leonard Evans:** I wonder if you could indicate, Mr. Acting Speaker, how many minutes I have left.

How many minutes do I have left, 10 minutes? Twelve, okay, thank you.

I would like to use the remaining time that I have to talk about the Manitoba Data Services because here we have a clear case of a corporation that has been profitable ever since it was established and, as a matter of fact, -(interjection)- Well, for the information of the Minister of Urban Affairs (Mr. Ducharme) who is making comments from his seat about this I think, this was a Crown corporation set up by Sterling Lyon.

\* (1500)

At any rate, Mr. Acting Speaker, this is one that all of us should be proud of. Manitoba Data Services provides mainframe computer services to Government departments and Crown agencies, and is available to provide it to the private sector as well, although most of the business is with the Government. The fact is year after year this corporation has shown a profit and, furthermore year after year, it has done so while at the same time simultaneously reducing the rates.

The rates have been reduced, I know, 10 years in a row. Looking at the 1988 Annual Report of the Manitoba Data Services, the report states on page 3 that since 1981 we have announced nine rate reductions. I said 10, I should have said nine.

The results being that a unit of computing, which clients paid \$1.00 for in 1981, now costs them only 45.6 cents. In other words, not only have we had profit made but we have had a consistent reduction in the cost of these services to the Government departments and agencies.

Yet, the Minister of Finance (Mr. Manness) continues to say that he wants to sell this. He wants to divest

the corporation, and indeed this is under active consideration. There are some potential buyers who have made application. I believe he said the other day in committee that he is down to two or three, but the fact is that it is not in my judgment in the public interest to sell MDS.

It is not in the public interest for a couple of reasons. One of which we are concerned about confidentiality of records of the public. We believe that it is in contravention of The Library Act of this province whereby no documents that are being held within the public domain about individuals or individual companies should be let out of the public domain. Let out of the public sector into the hands of people who are not sworn to an Oath of Allegiance to Her Majesty the Queen or not sworn an oath of secrecy. The fact is that is a concern and I know a lot of people will say, well, we can handle this. We have the technology to handle it.

Mr. Acting Speaker, there are conferences today that are being held. There is one that was held just a few days ago in Guelph where international experts were discussing this very question of confidentiality of records held by large computer companies, and the problem of that information being leaked. The whole question of ethical standards is a very interesting subject, but it is a concern that we have in this Party.

That is one of the reasons we believe that MDS should not be put into the private sector but should remain in the public domain doing the fine job that it has. Every Party agrees that it has been doing an excellent job. We have been in the committee. Everyone, the Conservative, Liberal, ourselves, and the New Democratic Party have stated together that it is an excellent corporation, fine staff. It has done a good job. Nobody has any criticisms of it. It is an excellent organization, and yet the Minister wants to get rid of it.

The other point that we are concerned about, divestiture will mean that in our judgment the Government could be putting itself in a position where it could be ripped off by a private company. In other words, no one will want to buy MDS unless there is some assurance of sales to the Government. They will want to know for X number of years that they have a sure thing, that they have a guarantee of sales to Government departments and agencies.

I say, Mr. Acting Speaker, how do we know that in that process where you are actually handing out a monopoly or certainly a quasi-monopoly to a private company that you are not going to get ripped off? I say that because what has been happening with new technology, there has been these rate reductions. How do we know that we will continue to get the favourable rate reductions, or if there is a reduction whether it is a reduction that has gone far enough? In keeping with the technological improvements with the new equipment and so on, and other efficiencies that may have been achieved, we will have no way of knowing that.

So here we go. We virtually give away a company. I would maintain, Mr. Acting Speaker, we would guarantee the business to them, and we would have

no idea where we are paying excessive amounts. So what benefit is there in that? So what benefit is there in that whatsoever?

The Minister says, well, we are going to get great economic development from it. He has not been able to show us this. He has some kind of report from the Department of Industry, but we have not seen it. I mean he is just making an assertion, and, Mr. Acting Speaker, I doubt very much whether it will do anything whatsoever in terms of economic development.

As a matter of fact, MDS is a public organization and has caused some economic spinoff to occur in terms of manufacturing jobs in the computer field. That has occurred. I will not go into the details, but that has occurred in the past, and it can occur in the future. So we do not need to privatize MDS to have economic development.

So, Mr. Acting Speaker, we have a lot of concerns about this. I would like to get the support of the House to be able to persuade the Minister of Finance (Mr. Manness) to change his mind to get the Minister of Finance to see the light. He himself has said it is a good organization. He himself admits he has the reports, that there have been a number of improvements in the organization over the year allowing for rate reduction.

Mr. Acting Speaker, as I said, the Minister has to come up with the answer to the question that we have, of whether the move by the Government is in contravention of The Legislative Library Act, because Section 12(1) of that Act says that no person shall remove public records from files or offices of a department or agency of Government, or from the possession or control of a department or agency of Government. We have no feedback from the Minister. We do not know what his legal opinion is of our point. We think we have a valid point, and we have no assurance that this Legislative Library Act will not be contravened.

I trust that the Minister will be giving us an answer on that in due course and in fact understand that he cannot sell in our judgment this corporation without an amendment to that Act at least; otherwise, he is in contravention of the legislation in our opinion.

Furthermore, we have already stated that we wish to proceed with legislation. That will ensure that the information the Government has on individuals will not be divulged. I have already introduced that Bill for first reading in this House.

Mr. Acting Speaker, for the life of me I cannot help but think that the main reason, in fact the only reason, the Minister of Finance wants to sell the company is for ideological reasons. That is pure and simple. I say we are prepared to take a pragmatic approach. As a matter of fact, we were prepared to divest the Government of Manfor.

Most of the early work that was done on that was done by the New Democratic Party when it was in Government, not by this Government. They have taken the ball the last few months or so. I am not so sure whether they have done well in that process.

There is some question as to whether they have really made a good deal or not with the Repap organization,

but we are not responsible for that. I am just using that as an illustration that if there is a reason for the Crown divesting itself of a corporation, then so be it. We do not see that in the case of Manitoba Data Services. We think it is an organization that plays a very critical role and can play its best role in terms of remaining within the public sector.

So, Mr. Acting Speaker, I only wish that the Minister of Finance was able to hear my remarks. That is all I will say.— (interjection)— Well, maybe he is listening in his office, I do not know, but I would trust that he would think very carefully before he will proceed. In fact, he has indicated some hesitation. He said, well we are not so sure that we want to sell it, and there are reasons why. He can understand there may be some reasons why the Government may wish to keep Manitoba Data Services. I hope that the committee, and indeed the Legislature, could persuade the Government to stay in this field.

\* (1510)

As a matter of fact, what MDS has been able to do, the Government has been able to do with MDS, bring forward a lot of good things in the public sector. I know we are soon going to be in the Department of Health. I just point out that the MDS, with the St. Boniface General Hospital, the Brandon General Hospital, and now The Pas and the Salvation Army Grace Hospital either has already or is now in process, depending on which hospital you are talking about, put in the computerization of records and has enabled those hospital administrations to have a far more efficient service for the patients than has raised the level of patient care.

Well, I understand my time has run out. I would only trust and pray, as do the employees of both MDS and MPIC, that the Government is listening, particularly MPIC because it is just not fair to treat these people in the callous way that the Minister has done over the past year and a half.

It is just not right, it is not fair. I would hope he would reconsider because he has a good organization, an organization that all Manitobans can be proud of. Thank you very much, Mr. Acting Speaker.

**QUESTION put, MOTION carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Health; and the Honourable Member for St. Boniface (Mr. Gaudry) in the Chair for the Department of Co-operative, Consumer and Corporate Affairs.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY-HEALTH

**Mr. Chairman (Harold Gilleshammer):** I call the Committee of Supply to order to consider the Estimates of the Department of Health.

When we last met the committee had been considering item 4.(a) Mental Health Administration: (1) Salaries, \$313,400—the Honourable Minister.

**Hon. Donald Orchard (Minister of Health):** We could pass it after I give this information if you want.

There were a series of questions on vaccinations—I have copies of everything and I think all of them—there was hepatitis, pertussis, training available in the food industry, material available for education of the general public, there is a tuberculosis pamphlet in Cree. Who asked this? —(interjection)— Was it Stevie Wonder again? Okay. Well, I will table these as well. It is on the incidence of mortality for 1988.

**Mr. Chairman:** Shall the item pass—the Honourable Member for Ellice.

**Ms. Avis Gray (Ellice):** Mr. Chairperson, I just have a brief question that follows up to the questions and the Minister's comments.

The other day we were in Estimates and the Minister did indicate that at this point in time the Assistant Deputy Minister's position for the Mental Health Division has not been filled. I think he indicated that there has been a bulletin and that they have had interviews. Now I think the position is being rebulletined.

Can the Minister indicate to us, in the first bulletining process, did they get any applications for the position?

**Mr. Orchard:** Yes.

**Ms. Gray:** Then I would assume interviews were conducted. Can the Minister indicate, were there no candidates who successfully met the selection criteria as set out by the selection board for that position?

**Mr. Orchard:** Yes, and I believe that is correct.

**Ms. Gray:** So the Minister is indicating that in the first go round there were no candidates that met the criteria that were considered to be suitable for the position?

**Mr. Orchard:** I was not part of the interviewing process, as my honourable friend could well appreciate, but the decision was made on the advice of those participating in the interviews that we rebulletin the position.

**Ms. Gray:** If that decision was made, I must assume that there was not any candidate who successfully met the criteria established by the board, yes or no.

**Mr. Orchard:** There was no one offered the position as the result of those interviews on that bulletining.

**Ms. Gray:** If the Minister is not answering that question, then I must assume that in fact there were one or more than one candidate, candidates who actually met the criteria. My question is: why did the board decide, after having had a selection process and finding candidates who met the criteria, to not hire anyone?

**Mr. Orchard:** Surely my honourable friend is not saying that does not happen from time to time. It is nothing unusual. Positions are often rebulletined and they were in this case.

**Ms. Gray:** The positions are not often rebulletined unless there are candidates or there are no candidates

who in fact meet the criteria that has already been established by the committee. Since the Minister has not said that there were not candidates who did not meet the criteria, I am assuming that one or more candidates did meet that, and because we are now going through a second rebulletining process to hire for an Assistant Deputy Minister, which is a fairly key position in this new reformed Mental Health System, I would say that—I guess my question would be, why was the decision made to rebulletin, and why were no candidates chosen from the first board, given that it is a key position? I would think you would want to have someone in that position, providing of course they met the criteria.

**Mr. Orchard:** The last statement by my honourable friend is a correct assumption.

**Ms. Gray:** Can the Minister indicate to us, who has final say in the next round of reboarding as to if a candidate will be chosen once applications are filed and interviews held?

**Mr. Orchard:** The final say naturally comes to myself to recommend to Cabinet.

**Ms. Gray:** Was there a recommendation that came forth from the board at all for a particular candidate?

**Mr. Orchard:** As I indicated four answers ago now, of the people interviewed, no one was offered the position and the position was rebulletined.

**Ms. Gray:** Just to clarify, I believe the Minister also indicated that it was the selection board who made that decision that no one should be recommended for the position. Is that correct?

**Mr. Orchard:** It is correct that no one was offered the position by the selection board.

**Ms. Gray:** I am not going to belabour this point, because I am quite aware that the Minister is not prepared to give answers. I guess my concern is that given the Minister's non-answers that I am wondering again if we have a situation where as, per usual with this Tory Government, they love to manipulate positions even when they do bulletin them and they very clearly decide who and who they do not want for senior positions. It really does not matter whether qualified people apply for the job or whether even qualified people actually meet the criteria. It almost sounds like it is predetermined who they would like for the job or who they would not like for the job and, because the Minister does not seem to be prepared to answer my straightforward questions, we have to be left with that impression.

**Mr. Orchard:** Mr. Chairman, it may be the methodology of the Liberal Party, should this province ever be so unfortunate as to have the Government-in-waiting achieve Government. They are the same Party that the week before, the Leader described as like looking after the caucus was like looking after an adult day care centre. Should we ever be so unfortunate, I hope my

honourable friend, the Member for Ellice, is not describing how a Liberal Party would use panelling in interviews to choose their friends for senior positions in Government. That is not what we are doing. The Civil Service Commission has been involved in the selection process.

If my honourable friend is saying now the Civil Service Commission is not responsible for proper hiring in the Province of Manitoba then let her make that case and let her state it right now on the record.

**Ms. Gray:** In fact, I think there is a lot of concerns about the Civil Service Commission and that is one of the reasons why the very Premier (Mr. Filmon) himself has called for an extensive audit. That is not a secret that there are concerns in the Civil Service Commission and that is an issue that will be dealt with in the Civil Service Estimates. The Premier himself, I am not sure if the Minister of Health is aware of that, has suggested and is prepared to go ahead with a very extensive audit. We are pleased to hear he will do that.

**Mr. Orchard:** Mr. Chairman, I know that my honourable friend for Ellice will be there making the accusation of the Civil Service Commission that they gerrymander the hiring process as she did here this afternoon.

**Ms. Gray:** If the Minister of Health wishes to hear or read what my comments are about the Civil Service Commission, he will have ample opportunity to do that once we go through that particular Estimates process and he can read for himself or listen for himself exactly what my concerns are about the Civil Service Commission.

**Mr. Chairman:** Shall the item pass—the Member for Kildonan.

**Mr. Gulzar Cheema (Kildonan):** Mr. Chairperson, the other day when we finished the Estimates the question was asked regarding the ADM's position. Can the Minister of Health give us an approximate indication when that position will be hired?

\* (1520)

**Mr. Orchard:** I will have to dig up the bulletin for my honourable friend to find out when the rebulletining deadline is, but senior staff indicate that approximately two months ought to be a reasonable expected time frame.

**Mr. Cheema:** In the meantime, the present person who is filling the position, he or she will be carrying on the duties?

**Mr. Orchard:** Yes, Mr. Chairman.

**Mr. Cheema:** Mr. Chairperson, can the Minister of Health tell us that in hiring the individual who will be qualified for the job, what will be the terms of agreement? I think it is a concern to me personally because last year there was an Assistant Deputy Minister who was fired from the job, and there was a



problem with the contract, so that the Government of the Day does not enter into any contract with the other people or which may not be in the right interests of the taxpayers of Manitoba.

Also, at the same time we are advocating for a new system, a reform system. If you are going to have a position and want to make sure that that person has a commitment and will carry on the duties because as we have discussed earlier, the results of the reforms are not going to show within a year or two. It may take a long time. So I just want a firm commitment from the Minister that a decision will be made taking all the facts into consideration.

**Mr. Orchard:** I know we discussed the Associate Deputy Minister contract that we did terminate as of June 30, 1988. I indicated clearly then that that was a travesty, really, of the parliamentary system to have those kinds of long-term contracts in place. I have no intention of retaining any of my senior people on a long-term contractual basis.

The ADM of Mental Health in this case, as are all ADMs, and I believe even executive directors are Order-in-Council appointments. Mr. Chairman, I will let any of the appointments I have made stand the test of a change of Government because I believe I have put competent people in those positions. I have not put any person, as the Member for Ellice's colleague is alleging, who happened to be friends of the "Party." The people that we have raised and elevated to professional positions and senior positions by Order-in-Council, I have every confidence will stand the test of a change in Government regardless. Well, I cannot speak for my honourable friends in the New Democratic Party, but they will stand the test of a would-be Liberal Government in waiting, because people who are competent and who understand the ministry and have a command of the issues, and are on a reform agenda have been placed in those senior positions and I am confident of their capability or they would not be there.

**Mr. Cheema:** Mr. Chairperson, I think it is extremely important that positions such as the ADMs or any higher position in the Department of Health or any other department has to have a balance that you hire the best possible people, but at the same time give them the reason that if they want to choose to change their positions but at the same time taxpayers of Manitoba are paying for those things. I think they deserve the best so that we do not end up in a situation such as we are facing with Mr. Kaufman. That is what I wanted to make sure, that we do not have it repeated.

**Mr. Orchard:** If you are saying, are we going to hire senior Order-in-Council positions by contract, no, that is not an intention. I do not intend to do that as Minister of Health.

**Mr. Cheema:** Mr. Chairperson, can the Minister of Health tell us how many other positions are vacant under the Manitoba Health administration, under this section?

**Mr. Orchard:** We have a vacancy, of course, at the ADM level which we have just been discussing. We

have a vacancy of a program specialist and that is in the appropriation that we are on right now, 4.(a)(1), the administration.

**Mr. Cheema:** Mr. Chairperson, how long has the position of program specialist been vacant, what has been done to fulfill the position, and who is providing the role for the same position?

**Mr. Orchard:** That has been vacant now for approximately six months, five to six months, and we have not advertised the program specialist position to date.

**Mr. Cheema:** You have not?

**Mr. Orchard:** No, have not.

**Mr. Cheema:** Mr. Chairperson, is this position part of the reform system?

**Mr. Orchard:** Everything in the division now is part of the reform system. There is no part of it that is not in part involved in the reform of Mental Health.

**Mr. Cheema:** What is the role of this position? The Minister is saying that everything is a part of the reform system. I am particularly interested, was this position a new position when they announced last year the reform of the Mental Health system?

**Mr. Orchard:** No, this is an existing position in the ADM's office. It is not a new position that was created as a result of the Mental Health reforms.

**Mr. Cheema:** Why has the position not been bulletined so far?

**Mr. Orchard:** It is because we are using the—you see, the former Assistant Deputy Minister had hip surgery, and in having his hip surgery he had a medical leave, but was still technically on staff. Although the position was vacant in terms of someone delivering the service, the incumbent, the former ADM of Mental Health, was still in there until the end of October. Yes, he had stepped down as the ADM, and we had an acting ADM, so he is no longer in service but accumulated medical leave. He still had the position filled until October 30.

**Mr. Cheema:** Mr. Chairperson, can the Minister define the role of this position?

**Mr. Orchard:** The position is used for developing policy papers, developing position papers, analytical work in terms of program, analytical work in terms of what is happening in other jurisdictions in terms of Mental Health. A program specialist—I cannot be any more definitive.

**Mr. Cheema:** I think, Mr. Chairperson, I am asking a specific question. Is a program specialist where you have to have some goal in mind to have the position? Is this position for the clinical delivery of the services or as a managerial position, or is this person going to be in charge of a specific section of Mental Health?

**Mr. Orchard:** I understand what my honourable friend said, yes.

**Mr. Cheema:** Mr. Chairperson, we do not have an ADM. The position is vacant. We do not have this person, the other program specialist now. As the Minister has said, that may take a few months for both the positions to be filled.

Can the Minister of Health (Mr. Orchard) assure us how they are going to fulfill all those obligations, the new program they have started, without at least two key positions in the major department?

\* (1530)

**Mr. Orchard:** Mr. Chairman, the initiatives of Mental Health reform that we restarted were built within a number of people who are currently within the department. Those initiatives were initiated, developed, and the leadership come out of the ADM and staff that are there. It involved a tremendous amount of co-operation with a number of outside organizations who had to understand where Government was wanting to go and in many ways offer advice, agreement, disagreement with the proposal.

The reorganization of the department and the new staffing that are incumbent in the reorganization are an important component of carrying on the reform agenda. The basic tenet and the basic underlying principles of the reform of Mental Health are laid out and will be built upon by the full recruitment at ADM and other positions within the reorganization that we are in the process of recruiting.

For instance, we are recruiting directors to the various areas of the reorganized Mental Health Division. At this stage it is only appropriate to thank the staff that has been involved to date, because it has put a tremendous additional workload on a number of key staff, many of whom are here today. That is recognized as not an acceptable long-term range, but I think that it has been accepted as sort of a labour of love, if you will, because there is a significant amount of progress and certainly involvement and momentum with reform that is building in the community that is supported in the community by a number of different organizations involved in mental health.

Clearly, a year from now I could be fully faulted for not having those ADM positions and director positions recruited and those people delivering service and sharing the workload of reform, but that will not be the case, Mr. Chairman. That simply will not be the case.

**Mr. Cheema:** Mr. Chairperson, is this position first open to the present employees of the Mental Health Department?

**Mr. Orchard:** Yes, all positions are open for any individual to apply within the current staffing in the Mental Health Division and indeed across Health and across the Civil Service as well as outside, because all of the positions including the directors have been advertised nationally.

**Mr. Cheema:** Mr. Chairperson, as we are discussing the major reorganization of the Mental Health system, I would like to ask the Minister, have they considered developing a program or a program director who would have knowledge of the multicultural aspect of the Mental Health system? Are they thinking in that direction?

**Mr. Orchard:** Yes, as an initiative of Government we have begun discussions with the multicultural community on a Multicultural Health Directorate, an important component of which will be mental health services to newcomers to Manitoba. I do not need to give my honourable friend examples, because he knows the system. The challenges faced by newcomers in mental health are substantially different because of language and cultural barriers that they have to become accustomed to.

Some of the newcomers, particularly some of the Central American newcomers, not only have language and culture, but often they have left their countries in very unsavoury circumstances. They have often been subjected to, or are victims of, suppression in their homeland. There is that additional stress that they need counselling.

That is part of the multicultural health approach that we are developing. I tell my honourable friend that we have had some very good co-operation in feedback on our proposal from members of Manitoba's multicultural community.

**Mr. Cheema:** I think we discussed that part in the Research and Planning part of Manitoba Health. Why I am concerned, at this stage, for the Mental Health Services Division is that I think we have to realize the reality of Manitoba, the population of newcomers, and when we are developing a system, which is going to meet the needs of those individuals, it is extremely important to have someone who has the knowledge whether he or she is willing to learn about the system, which can be given to all of these individuals who are newcomers.

Definitely not only they will benefit but I think Manitoba taxpayers will result in the benefits of a reformed health care system. Can the Minister of Health (Mr. Orchard) consider having a separate position or a program director, within the Mental Health Directorate, who would be assigned for a specific position to deal with these problems?

**Mr. Orchard:** Mr. Chairman, yes, because that is what we have done. We have worked with, as I say, the multicultural community in terms of the needs of newcomers to Manitoba. We are in the process of establishing a staff position in the Winnipeg region that will provide both direct services and consultation in the area of mental health services to newcomers.

We have that position currently being delivered by a member of the regional staff and the first vacancy that we have in the Winnipeg region, we will use that position and advertise appropriately for an individual as I have just described. He will have both direct service and consultation responsibilities for mental health services to newcomers.

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**Mr. Cheema:** I thank the Minister for that answer. I think it will go a long way to help these individuals, and also as I said it will ultimately save tax dollars.

While I am on this multicultural mental health services, I am sure the Minister has also received a questionnaire from the Manitoba Mental Health Association and I think all the Parties did receive one. They had a specific question that deals with multicultural mental health services. The first question they are concerned with is: will the Minister form a multicultural health advisory committee to deal with the mental health issues?

**Mr. Orchard:** When was that done? Was that the one for the last election?

**Mr. Cheema:** No, this was sent by the Canadian Mental Health Association and sent to all the MLAs. I am sure the Minister must have received the questionnaires too.

**Mr. Orchard:** Basically that also is in process as I described earlier, in terms of the multicultural Health Advisory committee with a component being of course mental health issues to newcomers and to the multicultural community. It is not only direct Government, because one of our program specialists is also working on the multicultural mental health policy and initiative.

I mentioned this before, and I am not sure if it was during the Estimate process or not, but I had the opportunity during Mental Health, or Mental Illness Awareness Week—I always get the names wrong, but Mental Illness Awareness Week. I was to Mount Carmel Clinic, because they that week chose the week, and the activities of the week, to formally establish and give space or allocate space to a newcomers volunteer group who were Spanish speaking, and providing mental health services and support services to newcomers from Central America who are under the kinds of stress of dislocation, under very disturbing circumstances from their homelands and their native countries.

That was being initiated at no cost to Government, no request for funds from Government, because it is staffed by volunteers. Government, I suppose, is involved only to the extent that 10 years ago the Mount Carmel Clinic was reconstructed and the space and the environment is there for them to use it as a basis of operation, because the group had been offering services from other locations for a couple of years now.

It is the kind of initiative that I think my honourable friend is identifying is a need. It is the kind of initiative that has been identified over the last number of years. I think it is fair to say that we are recognizing it and making some significant process to addressing mental issues amongst the multicultural community and particularly newcomers.

**Mr. Cheema:** Mr. Chairperson, a further question as regards to the multicultural aspect of mental health. There was a report by the heading: "After the Door has Opened," report of the Canadian Task Force on Mental Health Issues affecting immigrants and refugees of 1988 from Ottawa by Health and Welfare Canada.

Can the Minister of Health tell us is he aware of that report and what recommendations are they going to follow from that report?

\* (1540)

**Mr. Orchard:** Mr. Chairman, I have not read that report, but certainly mental health staff have read the report. I think it is fair to say that a number of the issues that were identified in there are either being acted upon right now or are in the process of being actioned by this Government.

**Mr. Cheema:** Mr. Chairperson, the Minister of Health outlined some of the initiatives they are taking and definitely that is going to be helpful, because those are some of the reports and recommendations there.

My specific question is: how much funds have they allocated to deal with the mental health services to the immigrants, to the refugees, to the aboriginal people? Also do we—

**Mr. Orchard:** Mr. Chairman—

**Mr. Cheema:** Can we delay that question at a later stage? If the Minister wants to answer that question at a later date, when we are discussing the budget part that is fine, but I just want him to be aware of that. I think we need to know that exact amount of money spent on that issue.

Also let me add my third question to that. What is this Government's commitment to the women especially for this disadvantaged group, the newcomers, the refugees, the ethnic minorities and the aboriginal people, to deal with the mental health illness which is quite prevalent and most of the time is under the surface?

It does not come out that often because most people are not aware of the services available, No. 1; No. 2, they have a language problem; No. 3, they have the cultural barriers; No. 4, ultimately they have very little knowledge of the whole system. What is this Government doing to promote the initiatives to deal with all these problems, as I have outlined?

**Mr. Orchard:** You see, Mr. Chairman, I cannot pull out an exact dollar as to how many resources are being dedicated specifically and exclusively to newcomer mental health or multicultural mental health. I guess we have taken a significantly different approach in that, with the discussions we have had with the multicultural community and newcomers, in understanding their needs, we believe it is appropriate that we do not simply—although we are appointing, we intend to appoint a staff person to be the, if you will, focus of that initiative, but that will not be the only individual responsible. We intend—and the process is ongoing to sensitize, if you will, all of the staff including regional staff to the issue of multicultural health. I say that using myself as an example.

I cannot understand, and 15 months ago, 18 months ago when I walked into the office, I did not have an appreciation for the mental health issues as they faced newcomers, in terms of stress, in terms of how they, being refugees, being outcasts from their own countries, because of political dissidence, political upheaval, unrest. I cannot put myself in that kind of a position,

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because I was born and educated here. I had no language problems and no cultural problems, et cetera, et cetera.

I think it is fair to say that a lot of people cannot put themselves into that understanding mode, if you will, to come around the complexities of the issue and really, in most cases probably, it is a much simpler problem to resolve if you understand the uniqueness through language barriers, cultural sensitivities or simply what the individual has gone through, in terms of leaving their home country, their family, and their friends. What we are attempting to do, through discussions, through advice, through work with the multicultural community, is to sensitize our program planners, our senior executives, our mental health workers and our regional delivery staff to the issue. It is not something that we are going to shelve off over to one corner to one individual for a responsibility, solely and exclusively. There will be an individual who will be the specialist in the area.

The intention is to have a wider understanding of the issue amongst all staff. It is only with that kind of wider understanding of the issue amongst all staff. Let me tell you that fits exactly the agenda of this week's theme for Mental Illness Week; more awareness of the issue, remove the stigma. Removing the stigma is gaining knowledge and gaining understanding of the problem, its uniqueness, its challenges, and thereby finding its solutions.

I simply cannot give my honourable friend a dollar number as to how much we will be dedicating to the issue of multicultural mental health, because it is an across the division initiative that all people will be involved in to some degree with certain focal points within the department, in terms of program specialists and staff positions dedicated to the multicultural mental health. Certainly a building of an awareness across the division.

**Mr. Cheema:** Mr. Chairperson, why I want to spend time on this issue is because I think the staff as such is doing an excellent job to provide these services and we are in the process of reforming the system. If at this stage we do not address that section of it, or a segment of society, which is a significant number now in the multicultural new Canadians, immigrant refugees and aboriginal people, we will miss that and then any Government will be blamed in a few years time. I think in my situation even I will be doing a disservice if I do not bring, as a person on the street, and being Opposition Critic I think it is extremely important for me to let the Government know that there is another section there which can be helped, and ultimately you know the Government is going to be helped.

The number of services these people use when they come to this country is enormous. If you simply look at the statistics from the Manitoba Health Services Commission the number of minor nervous problems these people go through is tremendous and that is a definite drain on the tax dollars. To save those tax dollars by providing them the best possible care, I think the service can be delivered and ultimately I think the system will be better than what we have today.

\* (1550)

**Mr. Orchard:** I do not have difficulty accepting my honourable friend's knowledge of this. I simply say that is why we have taken the direction that we are taking in terms of multicultural mental health issues and multicultural health issues in general.

In taking this kind of initiative, and with the experience we have had, I think we are being recognized at the national level, because currently there is a federal-provincial territorial working group on women and health. It is preparing policy documents on women's health for the Deputy Ministers of Health for their consideration at a regular Deputy Minister's Health meeting. Manitoba is making a major contribution to the work of this group. We are preparing a policy paper on mental health as a specific issue which will help lay the foundation of a policy relating to women in mental health that the Deputy Ministers nationally will consider. Gomi Puri, from our department, from the Mental Health Division, is writing that paper. I think that is indicative of the recognition Manitoba has achieved in advancing this issue and having some very sound knowledge based on experience to offer to the rest of Canada.

**Mr. Harry Harapiak (The Pas):** We are dealing with the mental health of multicultural groups and I think that the biggest multicultural group in Manitoba is our Native people. I wonder what initiative the Minister has taken or the department has taken to deal with some of the difficulties that the Native people of northern Manitoba are dealing with.

**Mr. Orchard:** My honourable friend is right and we are addressing that issue as well. We have been naturally part of ongoing federal-provincial level discussions in terms of training on the issue of providing mental health training to Native health workers.

I guess we have broken first ground in Manitoba in that we have a mental health worker from the Brokenhead-Ojibway Nation and that individual is currently taking training in children's mental health issues. We are working with ongoing development of a specialized training package or series of specialized training packages in conjunction with mental health medical services and the band councils. Basically our goal is to attempt to provide training so that Natives can be involved in service delivery in the most culturally sensitive way that they only can deliver, I think it is fair to say.

**Mr. Harapiak:** A few years ago there was—and I am not sure if the statistics have changed any or not but there was a large number of suicides in the community of Cross Lake. I am wondering if the Minister has had any follow-up to the Mental Health meetings that they had in that community to give Native people more participation and more of a role to play in what they saw as the needs of northern Native people. I am wondering if the Minister has any follow-up to the meeting that was held within that community. Has there been any results from that?

**Mr. Orchard:** Mr. Chairman, let me deal with another issue that I know my honourable friend is going to be

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extremely interested in, because under the Partners for Health Initiative, after the fire and the trauma that a lot of Native youngsters went through in terms of evacuation, being shorn away from their communities and brought to various southern communities, we developed a colouring book, an activity book.

This was developed with the assistance and the design help of a Native artist so that Native children can go through this book and really sort of have fun with what happened this summer so that the trauma that is involved will hopefully not materialize and not cause difficulties down the road, because those children went through a tremendous, rapid, unpredicted and unexpected change.

I would like to leave this with my honourable friends. I think we have just one copy here today, but we will get some more. I will leave that with my honourable friend from The Pas. We have 10,000 of those that we are going to be distributing, so that all the children will have access to that.

Let me just take another step on that. You will recall the very tragic suicide and murder incident with the father involved and the children last summer, last June. The Mental Health Division worked very, very quickly with the school division and with parents and children in that area to intervene very rapidly in terms of the trauma and the stress that those people went through experiencing that kind of a traumatic and very, very horrible situation in their neighbourhood involving friends and children they knew and friends they knew.

I think that kind of rapid intervention and rapid assistance was significant in helping that incident to not become a major cause of trauma and other outcomes that one might normally expect. It is from that, that this colouring book has been developed to try to relieve the trauma from the forest fires.

In terms of the suicide rate that my honourable friend asked, we recognize that as an issue, because in 15- to 19-year-old Natives the rate apparently is 11 times higher and that is a tragedy. We have had some prevention and post-intervention sessions on reserves such as Gods Lake Narrows and in Winnipeg through Rossbrook House.

We are working with Suicide Prevention Intervention Network, the acronym is SPIN, and that includes children's mental health, Native Indian health workers and school division personnel to try to provide some intervention, some counselling, some preventative work, to try to very much lessen that significantly higher suicide rate among Native youth.

**Mr. Harapiak:** Mr. Chairman, I am pleased to see that initiative has been taken with the colouring book, because I was in touch with quite a few of the Native organizations, not only here in Winnipeg but also in the Town of The Pas. I was pleased with the amount of support there was out there from the community, not only from the different church communities in the City of Winnipeg who helped accommodate the youth who were feeling a lot of stress because of being moved from their home, but also in the Town of The Pas, not only the church organizations but the volunteers were

a tremendous help to help the people cope with the stress of the fire.

I am pleased that the Government has taken that initiative and is helping them cope further with that, because I know that just because the fire is over now the trauma may follow them for a while after the fact. I am just wondering, what initiative has the department taken to work with the schools to deliver some programs to deal with the youth who are in that age bracket, where you say the rates of suicide are much higher than in other areas.

\* (1600)

**Mr. Orchard:** You are not specifically referring to just Natives, you are talking youths across Manitoba.

**Mr. Harapiak:** That is correct.

**Mr. Orchard:** SPIN has a high degree of involvement with Natives. As a matter of fact, there is a Native Youth Suicide Conference that has started today and is on today, tomorrow and Saturday. It is sponsored by SPIN, the Suicide Prevention Intervention Network. Judge Sinclair is the keynote speaker at this conference, which as I say started today.

My honourable friend might recall the initiative that was one of the six as a result of the reorganization of Mental Health and the reform of the Mental Health Division and activities in the ministry. One of those initiatives was funding for a youth suicide information centre.

That centre was operational as of September 16 of this year and already has made 10 presentations to 174 participants. The participants include teachers—to get to my honourable friend's question about what work is being done in the schools—regional mental health councils, interagency councils, youth social workers.

Now the focuses, as I understand it conceptually, that we are trying to build into work with the teachers is recognition of what the symptoms of suicide contemplation are, so they do not go unrecognized, so that again, you can hopefully recognize trouble before it becomes very, very serious and intervene in a positive way through counselling and other mechanisms that are in place in the school, in terms of school counselling and assistance for students.

As part of the evaluation of the Youth Suicide Information Centre we are doing an evaluation component. So both before and after participants have been involved with the presentations, we have questionnaires to assess whether, in fact, they have gained an increased knowledge of the issue of youth suicide and how it might be prevented.

**Mr. Harapiak:** Is there any special initiative being taken with the Frontier schools who deal primarily with Native children?

**Mr. Orchard:** It is indicated to me that our Thompson mental health worker is doing just that with Frontier School Division.

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**Mr. Harapiak:** Mr. Chairman, there was always an extremely heavy work load on mental health workers in the North, because of the, as the Minister has mentioned, higher percentage of suicides in that population. Also, I think another difficulty is the remoteness of the areas where it is very difficult for staff to get around and travel.

There has been a very high turnover of staff in northern Manitoba, and I guess, that adds difficulty of attracting professionals to some of the communities—not that the communities do not have much to offer—because, having lived in The Pas, I think sometimes there is a greater quality of life in northern Manitoba than there is in the city. I guess it depends what a person is looking for.

When someone from the urban part of the province has not experienced that they hesitate to go to northern Manitoba. I am wondering if you have a full complement of staff now in The Pas or are you, at this time, recruiting people to fill the positions.

**Mr. Orchard:** We had vacancies in the children's mental health positions in both The Pas and Flin Flon, but we have just recently hired into both of those positions.

**Mr. Harapiak:** There is one other area that I wanted to address and that is dealing with homes, mental health homes. I am wondering if this would be the appropriate place to address it or—

**Mr. Orchard:** Sir, I missed the issue here.

**Mr. Harapiak:** Mental health homes, residencies.

**Mr. Orchard:** If it is the will of the committee, why do we not deal with all questions in Mental Health, and we will just pass it at the end of the discussion. Would that be fair enough?

**Mr. Cheema:** I think we want to go step by step otherwise we are going to miss some of the important things we want to ask on the policy. That is why my questions were—let us stick to the Mental Health Administration not anything else.

**Mr. Orchard:** If there are no more questions on Mental Health Administration—

**Mr. Chairman:** Shall the item pass—pass; 4.(a)(2) Other Expenditures \$137,900—pass.

4.(b) Chief Provincial Psychiatrist: provides expert psychiatric consultation regarding all elements of mental health practice, programming, policy and legislation. (1) Salaries \$142,100—the Member for Kildonan.

(Mr. Edward Helwer, Acting Chairman, in the Chair)

**Mr. Cheema:** Can the Minister of Health (Mr. Orchard) tell us—because last year the position was this person who was working as Chief Provincial Psychiatrist was working on a part-time basis—is this a full-time position now?

**Mr. Orchard:** The Chief Provincial Psychiatrist is on contract, and it is a half-time position with, I think, probably close to full-time commitment.

**Mr. Cheema:** Can the Minister of Health confirm that Dr. Rodgers is the psychiatrist who is working as Chief Provincial Psychiatrist?

**Mr. Orchard:** Yes.

**Mr. Cheema:** Mr. Acting Chairperson, before I go onto my question I just want to express my appreciation for Dr. Rodgers' commitment and his dedication to the profession. As the Minister had indicated, he is working half-time, but I think he is putting more than his share in. He has been very co-operative to us irrespective of the Party lines or anything. I do not know which Party he belongs to, but certainly he has been very helpful for any information.

**Mr. Orchard:** I appreciate my honourable friend's observation, because Dr. Rodgers has been doing a good job. That is not one of the questions used to screen people before they work for this Government.

I want to tell my honourable friend, as I look out, this is probably one of the first times some of the staff have had sort of a relaxing hour or two, because all of them are working extremely long hours. They are hopeful that Mental Health Estimates go on for about a week so they can enjoy a few afternoons here of listening to their achievements over the last year, being given due and proper credit, because they are pretty significant moves and initiatives that have been undertaken in the last year.

**Mr. Cheema:** Mr. Acting Chairperson, my remarks about Dr. Rodgers, I think he deserved a compliment. I have talked to many people in the system and they all speak high of him and that is why I said I do know which Party he belongs to, but he is doing a wonderful job.

One of Dr. Rodgers' jobs is to implement Bill No. 59, the Mental Health Act, in Manitoba, which is a very important document. This document does not satisfy a lot of people, either their patient or the health care providers.

Can the Minister of Health (Mr. Orchard) tell us after March 1988 what specific problems they have with the Mental Health Act and which area of the Mental Health Act they had most of the complaints?

\* (1610)

**Mr. Orchard:** I cannot nail down for you the specific complaints that have come to my office. There have been complaints about the additional administration on admission. That was pointed out of course during the time when the amendments to the Act were drafted.

I do not think there has been any—can I say safely there has been no unforeseen glitches to date that would make it absolutely unworkable?

**An Honourable Member:** No.

**Mr. Orchard:** There is an adjustment period any time, I think you would understand, when you work under

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a new set of legislated criteria. I cannot tell my honourable friend that Clause 41(b)(3) is causing difficulty or 62 Clause (a), that has not come to my attention.

**Mr. Cheema:** Mr. Acting Chairperson, I think it is extremely important to keep a record of all those complaints and make sure that if in the future if there is a chance for further improvement in the Mental Health Act and that has to be done, I think it is a reasonable thing to do. It can be done, because if any person has a complaint they have to simply go to the Mental Health Review Boards and they can ask for a repeat hearing or challenge the law. I think it is not a difficult thing to do.

I have my next question with the Minister of Health where I have the most disagreement with him over the summer. I was disappointed with him personally that these Mental Health Review Boards were changed on June 14. They were changed on June 14, and for a period of six to seven weeks there was almost non-functioning Mental Health Review Boards.

I want the Minister of Health to tell us why did he change the boards without prior training the new board. If he wanted to change some of the members, for whatever reasons we do not know the reasons, but I think it is extremely important that those boards should not have been changed unless we have a new board which is ready to work.

My next question is: what were the specific complaints why those members from the boards were changed?

**Mr. Orchard:** Mr. Acting Chairman, you know we have dealt with this issue quite substantially back last June or July. I say to my honourable friend that in retrospect, I make no bones about it, retrospect had I been—were I to change the members on the boards this June, hypothetically, that I would not change all at once. I would leave some operative boards.

It was an unanticipated circumstance where we had—and I do not offhand recall the numbers, but there were over the past eight or nine months prior to the boards' hearing reviews, I forget the numbers but they were a fairly low number of hearings that were held. Then when we changed the board memberships, and they were going through their orientation and training programs, we had a flurry of applications to the boards, admittedly, and I said that at the time that, had I to do it over again I would—and I would recommend this to my predecessor whoever he or she may be, not to change boards like that all at once, to leave continuity there in having at least half of them, or whatever—that would be the discretion of the Minister—in place and operative, so that if you had a flurry of cases, as has happened, you would have operational review boards that could deal with the issue without delay. I admit that error.

Unfortunately, you can only have 20/20 vision in hindsight. I certainly had no intent to cause any difficulty when I made those changes. It was an absolutely unforeseen and unpredicted situation and I regret any difficulties.

I want to tell my honourable friend that the boards were up and running, if you will, oriented and functional, within six weeks. They heard their first hearing within six weeks of the change. So there was a time period in there and in part there are hearings, when they are requested, are not immediate by any means. There is a time lag in there. So we may have delayed some hearings by a two- to three-week period or thereabouts and regrettably that happened. It would not happen again because I simply would not change all at once.

**Mr. Cheema:** Mr. Acting Chairperson, that certainly satisfies me, because I think the Minister of Health is lucky and the Government is lucky in the sense that the somebody could just challenge them in the court. For six weeks, the system was almost paralyzed and that was our major concern. Certainly, we understand that this is a political system and sometime you have to change the whole debate, you want them. Most other times the psychiatrist and the lawyers will not change that and some of the Members on the boards were changed.

I have my next question as regards to the payments made to the board members. I just want to ask the Minister, the lawyers are getting \$550 per full day, psychiatrists get \$425 per day, and the other members get \$425 per day, now, what is the disparity even though the services seems equally important if not less from the others?

**Mr. Orchard:** There is no magic that I have had input in. These were the rates that were in place when we inherited the Government. I do not know what the magic is behind it. The Acting Chairman, I would presume, is being paid something additional because of the duty of the Chair. Psychiatrists and lay people are paid at a lesser hourly half-day, full-day rate.

**Mr. Cheema:** Mr. Acting Chairperson, I think it is clear from the Minister's Order-in-Council, the amount I have given to him. There is a disparity that the lawyers are paid \$550 per day, and the psychiatrists and the other members are paid less than that. I think we should look at that because the services of the psychiatrists are equally important if not more than. Also, considering the numbers are already low, and rather than give them the incentive, at least keep them at par with the other professionals. I think it would be helpful to review the paying system for these boards.

**Mr. Orchard:** I cannot explain what happened, but I am informed by staff that at the time the boards were originally set up that lawyers were billing at a higher rate than psychiatrists were. I do have to say that the hourly rates—yes, I would think that a psychiatrist is a premium individual.

**Mr. Cheema:** The reason why I am saying—it is very clear that we do not have many people who are willing to work on those boards and given their shortage of time, their duties and the legal obligations are not less than the lawyers, if not more, I think it should be treated equally and fair.

Mr. Acting Chairperson, my next question is: one of the duties of the Chief Provincial Psychiatrist is to

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maintain a staff appointment with the Department of Psychiatry and Faculty of Medicine at the U of M. Can the Minister of Health tell us who is the head of the department right now at the Health Sciences Centre? Is that a full-time teaching position, and what role is Dr. Rodgers playing right now at the U of M?

**Mr. Orchard:** Let me understand my honourable friend's question. You want to know who the head of psychiatry is at the faculty. Dr. Bebchuk, I believe, unless something has changed very recently, is the acting head of the faculty. I cannot tell you what Dr. Rodgers—his association is with the faculty, if any.

\* (1620)

**Mr. Cheema:** It is very clear that we do not have a full-time permanent head of the department. That has not been there for the last two and a half years, so probably more than that. Initially there was talk that somebody was coming from Toronto. There was a lot of excitement that may bring some changes in the system because when you do not have the chief of any department it is very difficult to attract other people to work in that department. Considering that if you have a reasonable and a renowned person you can always get good teaching staff, research funds from the various organizations and also keep the level of the institution at the best possible.

What initiatives has this Minister taken now when they failed to bring the other individual who was supposed to come from Toronto, because I understand he gave a short talk last year at one of the hospitals. At that time I was told he had a lot of experience in the community mental health programs and certainly he was the person who was probably the best at that time. What initiatives has this administration taken and will take now and when can we expect to have a permanent head of the department?

**Mr. Orchard:** Mr. Acting Chairman, let me establish some basic lines of responsibility. The Minister of Health hires no head of any Faculty of Medicine. That is the purview of the Dean of the Faculty of Medicine and presumably a selection process within the faculty themselves. Governments do not get involved with that and do not have any influence or ability to suggest or any other way that I am aware of and certainly we do not. We were very interested of course because of our Mental Health reform and reorganization in the department and the whole issue of mental health and the initiatives we were taking and the focus we were putting on mental health.

We were very interested in the recruitment efforts at the Faculty of Medicine for the head of psychiatry. I had occasion to talk to the individual and had a number of discussions with the Dean of Medicine in terms of that recruitment process because we thought it appropriate, and I still think it is appropriate, that we sell the Faculty of Psychiatry as part of the provincial reform on Mental Health, because it was a very exciting time. We were going through some major discussions of reform, renewal and reorganization in the Mental Health Division and in the system and in the approach to mental health.

I had breakfast, on a couple of occasions I guess, with the candidate. The individual just, for whatever personal reasons, chose not to relocate from Toronto and come west. That clearly was a disappointment because there were a lot of people who had met the individual that thought he was the right candidate at the right time, because he fit sort of the reform, the reform agenda that was clearly sweeping the system.

What has happened right now, and this is again, I think it is unusual, I think it is probably the first time that the Deputy Minister of Health has been involved to some degree with the Faculty of Medicine in a recruitment committee. Normally that is not even asked or considered either way, either by us to the faculty or the faculty to us.

Given the importance we have attached to Mental Health, the importance we have attached to the faculty that my Deputy Minister is participating in a new search committee since the recruitment efforts have not come to fruition, I simply, at this stage of the game, cannot tell my honourable friend what the status is of their recruitment efforts.

**Mr. Cheema:** Mr. Acting Chairperson, I think we will be discussing more about this position and the other staff under the clinical and Mental Health.

My next question is again with the problem with The Mental Health Act after March of 1988. Can the Minister maybe provide us the number of the people who have applied for a status review since this Act has come into effect?

**Mr. Orchard:** We have got that coming back, Mr. Acting Chairman. To date, as of October 31, 1989, we have received 155 applications, completed 19 hearings, and we have completed 28 automatic hearings. That is at the six months.

**Mr. Cheema:** Mr. Acting Chairperson, what is the average time taken for one person's application to be heard? If somebody has to apply today, how much time would it take?

**Mr. Orchard:** Scheduled two to three weeks from application.

**Mr. Cheema:** Mr. Acting Chairperson, has there been any complaint about the two- to three-week waiting period so far?

**Mr. Orchard:** No, not that we are informed of.

**Mr. Cheema:** Mr. Acting Chairperson, out of this 28 automatically, these cases come every six months and they are from the major institutions. Can you give me the breakdown of the Brandon Mental Health Centre and Selkirk Health Centre to know how many people have applied for the change in the status?

**Mr. Orchard:** Of the automatic review, five have been from Brandon and the health centre, five have been from Eden Mental Health Centre, 16 have been from Selkirk, and two have been from Grace.



**Mr. Cheema:** Mr. Acting Chairperson, can the Minister of Health tell me if the clients have to pay for any of the services for a hearing?

**Mr. Orchard:** Clients often access Legal Aid for their legal counsel.

**Mr. Cheema:** Mr. Acting Chairperson, if somebody can afford it, are they required to pay for the hearing?

**Mr. Orchard:** We have no charges for the board. The hearings we hold as part of the Act at no cost, but we do not know whether someone pays to retain legal counsel or whatnot. The only time we know is from time to time we know a Legal Aid lawyer represents the client and that sometimes causes the three-week period of wait to have a Legal Aid lawyer assigned.

**Mr. Cheema:** Mr. Acting Chairperson, that is what I was getting into. Normally for any person who does not need extra legal counsel, they do not have to pay but if somebody needed legal counsel to present his or her case in front of these review boards, still they have to pay from their own pockets for their own legal counsel. Is that correct?

**Mr. Orchard:** That is right. If the client wishes to retain Legal Aid and cannot afford Legal Aid to be—or legal counsel, then Legal Aid assesses the application and if they meet their criterion for having Legal Aid assistance made available, then there is no cost to them, Legal Aid does provide the legal counsel. Those who do not qualify, yes, if they come with a lawyer it is costing them personally to have that legal counsel representation.

**Mr. Cheema:** Mr. Acting Chairperson, maybe if the Minister wants to confirm this answer later on he can answer my question. I think it is a problem there then. We have Mental Health review boards, we are paying them. The taxpayers are paying for that.

On one hand we have certain individuals who are in the hospital system who certainly cannot pay because of the financial reasons and Legal Aid will pay for them, but somebody who will challenge the law on the same basis as somebody who does not have the sufficient income, why do they have to pay to their own legal counsel? So that means they are being extra penalized.

**Mr. Orchard:** Mr. Acting Chairman, first of all my honourable friend is making the assumption that everybody who goes before one of our boards needs to have legal counsel. That is not the case.

**Mr. Cheema:** No, I do understand that, that is not the case. I am not saying that everyone who goes in front of this board, they will need a counsel, but if somebody requires a counsel I am just asking two cases here. One person who can pay and can have a counsel, that means he is paying from his own pocket. The other person, who does not have financial background or enough resources to pay for legal counsel, so the Legal Aid is paying for his counsel too. That means that person is costing us twice.

**Mr. Orchard:** Either my honourable friend is suggesting one of two things, free Legal Aid for everybody or no Legal Aid for anybody, because the system is in place to provide legal counsel where needed to people who cannot afford it.

There are those who certainly disagree with that and say that it ought not to be, but it is part of a program that is available and it is available to those individuals who prove (a) the need for a lawyer, because you cannot just go in and say I want a lawyer and Legal Aid will give you a lawyer automatically if you cannot afford to pay for one. You have to prove a need and that is the same for anyone who is in the Mental Health Review Board application circumstance as well.

\* (1630)

Surely my honourable friend is not saying that if someone who wants to have a lawyer and can afford to pay for a lawyer whether he needs it or not, simply because it is free from Government, he is going to have a lawyer. I do not want to get involved in that kind of a system. The individuals are going to make up their own choices, so they do not need to have legal counsel to go before these boards.

**Mr. Cheema:** Mr. Acting Chairperson, I thank the Minister for that answer. When I was asking that question, there was definitely a point I wanted to make, but I think it makes sense what the Minister has said.

**The Acting Chairman (Mr. Helwer):** The Member for The Pas, you had a question.

**Mr. Harapiak:** Mr. Acting Chairperson, I wonder if I could ask the Minister if there is presently a child and adolescent psychiatrist in the department.

**Mr. Orchard:** Yes. That could be considered under item (h). I do not want to offend my honourable friend from Kildonan.

**Mr. Harapiak:** Maybe this may be considered under a different area as well, how many psychiatrists do you have in Brandon and how many in Selkirk at the present time?

**Mr. Orchard:** Well, we could deal with that now. I would just as soon deal with everything now, and then pass the whole Estimates. For the first time in many, many years we have one full-time psychiatrist at Brandon Mental Health Centre, and that is as a result of successful recruitment. We are in the process of final recruitment. We have a second psychiatrist that we believe will be there full-time in the very near future as well.

At Selkirk Mental Health Centre, we have two full-time psychiatrists, one casual psychiatrist at Selkirk.

**Mr. Harapiak:** There are no vacancies at this time, then?

**Mr. Orchard:** At both Brandon and Selkirk there are vacancies. There has been vacancies at Brandon in particular for 20-30 years.

**Mr. Cheema:** Mr. Acting Chairperson, I thought we had to go through line by line, but since the Member for The Pas has opened this area, if the Minister does not mind I can go with my questions here.

I have another disagreement here which is, the Minister of Health has indicated in response to the Member for The Pas that they have two full-time psychiatrists at Selkirk, they have one at Brandon full time now. As we all remember last year, certainly I have not forgotten—and when there will be something wrong I will remind the Minister, and if there is something positive I will say that positive things are being done—and I would ask for his patience to listen to my criticisms for this issue. I think it is overdue now.

Mr. Acting Chairperson, last year when in response to the crisis that there was a cause in the House a number of times, that was a No. 1 issue that I raised as the Opposition Health Critic. We all know what happened in the past NDP administration, and with no offence to the Member for The Pas, but that is the reality of life. The message was sent in a very wrong way and to the psychiatrist, and the line still is fresh in the mind of many professionals: if you do not like Manitoba, leave. That is what happened and unfortunately that was the end result. We lost about 20 people, 20 psychiatrists. It started with the Department of Health and ultimately people started leaving. When you do not have a chief and the responsibilities come to the other individuals, then the system falls apart. That is exactly what happened. A report came—I will go to the report at a later stage.

As a result of the departures and not being able to recruit new physicians, we had a major problem at Brandon. Brandon Hospital was without a full-time psychiatrist. Somebody was visiting from Winnipeg on a part-time basis, and Selkirk had about five practising psychiatrists at that time. One is the executive director full time.

Under pressure and under stress, the Minister of Health ended up making a wrong decision. His intentions may have been the best, but I think somebody in the department or himself made a wrong decision. Telling somebody who has worked in institutions for 25 years to leave this place, go somewhere else, and leave your patients where they are and then expect them to follow that order does not help.

It did not help because we had the side effects of the previous administration not over yet, and we had another severe blow and that ended up in the resignation of two very fine individuals who have contributed a lot to Selkirk and a lot to Manitoba. When we were in real desperate need, those people resigned. What happened is that this Minister's formula did not work. We started with one half-time at Brandon and five people at Selkirk and ended up with one at Brandon and two at Selkirk. The Minister can correct me if I am wrong.

As far as we know, until today, Selkirk Hospital is not taking any new patients from the Winnipeg area for a long-term assessment, they are not. There is only Dr. Andrew who is providing part-time services. There is another physician who is providing two or three days

a week only. So far we do not see any sign for someone else coming there and providing services. We do have a number of physicians, primary care physicians, who are providing some of the work but that is not adequate because the patients there are suffering. They are not getting very good care because we do not have the right numbers to serve those patients.

The Minister has to explain to Manitobans and to the Opposition why he made a decision. Today, does he agree, or today does he see that was a wrong decision and he should have gone in a more compassionate and co-operative way or a "diplomatic" way? That is the right word, the Member for The Pas (Mr. Harapiak) said. I think that would have been the best route and we could have been in a better situation than where we are today. Can the Minister of Health (Mr. Orchard) tell me, was it a wrong decision or a right decision, in his own words today? If he assesses the situation, what is the present status at Selkirk and Brandon?

**Mr. Orchard:** Let me tell my honourable friend, the decision I made was not only a proper decision, it was made for the proper reasons. In Brandon, we had not had a psychiatrist on staff permanently for several years. We had a very, very difficult situation that we inherited that we found intolerable. We have a number of options. You can start recruitment, which we did.

\* (1640)

I simply tell my honourable friend that by within about three months, we will have three psychiatrists because we have another individual from out-of-province that will be going to Brandon. With a career residency program individual we ought to have four psychiatrists by mid-year in Brandon. That is because Brandon serves a large number of inpatients—I do not have the numbers on the top of my head—and a significant number of outpatients in Brandon.

At the time that I made the decision my honourable friend is taking fault with, and I respect that he can do that, but I just want to tell my honourable friend that were he in my position he would have done exactly the same thing. He would not have stood up and supported the individuals in Selkirk that he and his Party supported.

(Mr. Chairman in the Chair)

We had a difficult situation in Brandon that we could no longer allow to continue an interim solution, and this is all we were talking about, of secondment of professional staff with experience in Selkirk to assist us in Brandon.

Those discussions failed. They failed in part because we could not accede to the requests made by the two individuals of the Treasury. Bear in mind, we were not talking about individuals who were fee physician private practice psychiatrists, we were talking about employees of the Government of Manitoba. From time to time, it happens in every department, in every division of Government where you have situations that you consider unacceptable, you ask staff on a temporary basis to fill those needs.

That was done this summer in the fire crisis. We had staff that we brought from all over the province back from holidays. We interrupted their family lives because we had a crisis on our hands in Manitoba. The members of the Civil Service of Manitoba carried that job off this summer with exemplary distinction and fashion. It was an incredible operation of evacuation this summer. I do not want to get off the track of my questions from my honourable friend.

We believed, although not on as grandiose scale or as large and as nationally public as the forest fire crisis this summer, that the situation in Brandon was a serious situation which we could not allow to continue. We asked staff, professional staff with experience, to resolve that problem on a temporary basis. Those individuals chose for personal reasons to accede to that request only by putting some substantive demands which would have set a precedent that no other staff in Government put to Government when asked to fill in similar circumstances.

Now, because they are psychiatrists and because Government is having difficulty recruiting psychiatrists, does that mean that Government backs away and says, oh, I am sorry, there really is no crisis out in Brandon, there really is no difficulty in Brandon, I am sorry I even suggested this? Not this Minister, we intend to solve the problems when they come up.

It is unfortunate that the decision was made by those two individuals to subsequently decline the offer and take early retirement. Those were personal decisions that both those individuals made. The requests that we made to them were reasoned. They were not unusual. They are the kind of requests that Government makes from time to time of the Civil Service. Manitobans expect the professional Civil Service to accede to those demands when Government says there is a need and there was a need in the Brandon Mental Health Centre.

I say to my honourable friend, my decision and Government's decision was a correct decision. To back down from that position to accede to the demands of two professionals in the employ of Government would have set a precedent that would have been very, very bad across the system. I have no intention of doing that. I had no intention of saying I just imagined the difficulties in Brandon. We really do not have them out there. Therefore, the people in Brandon, all those inpatients, all those people requiring outpatient treatment, really did not need psychiatrists in Brandon—because they did. We have moved in recruitment to resolve that problem.

Now, my honourable friend wants to persist in defending the individuals who chose early retirement because we would not accede the financial demands far and above what any other professional civil service would have asked for in similar circumstances. No civil servant asked for anything other than overtime during the forest fire crisis and that they deserve.

We were not even asking these individuals to put in overtime, we were simply asking them to put in their time at a different mental health facility. It was for a short-term period of time, to cave in. To do as my honourable friends in the Liberal Party suggested would

have set an absolutely horrendous precedent in Government. It would have showed the worst kind of cowardice in Government. I am simply saying to my honourable friend the decision was right. I have not chosen to put what those demands were on the public record because that is simply not my role.

As I said to my honourable friend when I started my remarks, if you knew the details you would never have asked your questions and you would never have had your Leader ask her questions on the issue because, as Government, were you in my position, you would have done exactly the same thing. So, yes, the decision was right. It has caused some problems in Selkirk, I fully admit that, but those problems are being resolved until we do and successfully achieve recruitment to Selkirk. We are filling those on sessional and part-time basis. I have given you the full-time psychiatric staff at Selkirk and at Brandon. As well in Selkirk we have part-time professionals providing service in Selkirk and we will resolve the problem, that is what we are here to govern and to do.

**Mr. Cheema:** Mr. Chairperson, the Minister has said that we did not have any sympathy for the patients at Brandon Hospital. That is absolutely wrong, that was the whole intent. The whole desire was to provide at Brandon Hospital and that was the first thing that we noticed there when we came as the Opposition that that hospital did not have even one full-time professional there and how could be sit in the Opposition and not raise that serious issue. In fact, it should have been raised by the Member for Brandon West (Mr. McCrae) and Brandon East (Mr. Leonard Evans) and they did not do it, so we have to do it.

The way the Minister solved the issue, that was still in my judgment wrong. You are not talking only of Civil Service Commission people here, you are talking about two professionals who have worked for 25 years who have had their clients or patients for the last 25 years. You are not just moving a desk and a chair, you are moving your whole professional atmosphere and these individuals would have at least served a few more years at Selkirk. You are not just moving the one psychiatrist, you are moving the whole family structure, the whole patient atmosphere and that is wrong. That is what we are saying; absolutely, that was wrong.

\* (1650)

That was publicly, if those two individuals had given their reasons in the press, and there were their reasons, and we have every reason to believe them. We have no reason not to believe those individuals who have served for 25 years and in my judgment and in our judgment, the Minister's decision was still wrong. Maybe his intentions were right, but he was not advised properly by someone who told him to just transfer these two patients just like you are transferring somebody with a desk and chair and asking them to go to Brandon or Thompson. You are moving a profession of 25 years with all the services attached, that is wrong, and what is the result today? The result is very clear and even though the improvement may come, the hardships you have caused within the system, that was tremendous. There was definitely and there is still definitely a problem

at Selkirk Hospital. The difficulty is not going to go unless we have sufficient numbers to provide the services at Selkirk Hospital.

**Mr. Orchard:** My honourable friend seems to think that we were wanting to tear these two individuals out of their environment in Selkirk forever. It was a three month secondment. People who have been 25 years with the Civil Service get seven weeks of holidays. That was five more weeks than a holiday period. Does my honourable friend realize that? They were still going to be able to provide the continuum of patient care in Selkirk. They were not being permanently shorn away from Selkirk. My honourable friend says that is a very, very terrible thing to do.

I still tell my honourable friend that would he have full knowledge, and I might even have to take him aside and privately tell him so he does not further embarrass himself by pursuing this issue, because he would not have acceded to the demands of the individuals. I simply tell him that.

Just this afternoon, we have talked about some of the recruitment of vacancies we have within the reorganization of Mental Health. Do you think these individuals that are sitting here providing support to the Estimates have not been working many, many long hours in terms of developing the reform of the Mental Health program, policy and direction in the Province of Manitoba, and are making a lot of extra effort to make the system better? You do not see them making demands on the system and putting a gun to Government's head. They are doing it because they are professionals.

The two individuals chose not to participate in assisting in a problem resolution. I cannot change their personal decisions. We made a very reasonable offer to them as professionals and as civil servants to assist us in Brandon with compensation for additional expenses that they would incur naturally. They chose not to become part of the solution.

I cannot influence that decision. My honourable friend is wrong in pursuing this on their behalf. I simply tell my honourable friend that. The precedent would have been unacceptable and it would have been unfair to many others in the Mental Health division and in the mental health system that make those extra efforts to help people. They do it as part of their jobs.

**Mr. Cheema:** I will not go further on the same issue, but at that time we were working on behalf of the patients and today we are still working on behalf of the individuals both at Selkirk and Brandon. We may have a different approach but our intentions are as good as anyone else's and I think our primary objective has always been to provide the best possible care to each and every Manitoban. It does not matter where they live. That is why when we came as Opposition we realized we had a major problem and we wanted this Minister to work on the mental health issues. That has been very clear for the last 18 months.

Can the Minister of Health tell us, now that they have made a lot of recommendations to increase the salaries

for the psychiatrists by \$10,000, and they tried this recruitment effort outside Manitoba—except now the Minister is saying that four people will be joining—why has the result been so poor so far?

**Mr. Orchard:** I guess poor is in the eye of the beholder. September of 1987, the Province of Manitoba had 88 practising psychiatrists. In September of '89 we have 103 practising psychiatrists in the Province of Manitoba. I think that some of the initiatives and some of the recruitment efforts and some of the, if I can use the term, excitement that is being created by the reform and the changes we are making in the Mental Health system have made it an environment that at least 15 new professionals have found to be an attractive place contrary, as my honourable friend said earlier on, to the environment offered by the previous administration that if they do not like it they can leave.

**Mr. Cheema:** Mr. Chairperson, can the Minister provide us with a list of these 15 individuals he said have joined the manpower for the last 18 months?

**Mr. Orchard:** I do not know whether I can provide you names. I presume we probably could. I am just giving you information that is sourced out of I believe the College of Physicians and Surgeons.

**Mr. Cheema:** Mr. Chairperson, right now there are about four and a half time—equalling four and a half time psychiatrists working for the whole rural Manitoba for at least 40 percent of the population. What is being done, what initiatives are in place to make sure that at least they could have adequate coverage for the so-called primary psychiatry care?

**Mr. Orchard:** I have to say that when we came into Government we had no psychiatrists at Brandon Mental Health Centre. There is one there now full time and there is another individual who is there and going through some certification, because he is U.S. trained. A third individual has been recruited and we are hoping that the individual—we can cross all the i's, dot all t's, and as far as I know that has been done for recruitment to Brandon.

In that aspect alone, and in 18 months we have gone from zero in Brandon full time to the potential two or three months from now of having three. My honourable friend has always said that where we have success and we do things right and we get things done, he will give us credit. I am expecting that.

**Mr. Cheema:** Mr. Chairperson, there was a report came last March of 1988 and that was an independent report by the MMA's psychiatry manpower report and recommendation. There were a number of recommendations. Can the Minister of Health tell us what other recommendations, other than the improvement in the salary, they have followed so far?

**Mr. Orchard:** I do not have at my fingertips the recommendations, so I cannot indicate what recommendations we have improved upon.

Let me just tell my honourable friend that I think in terms of environment and atmosphere, a place to work,

Manitoba has gone from maybe one of the more difficult communities to recruit to, to one of the more exciting, because of the initiatives we have attempted to bring forward and the reform measures, the reorganization, the momentum that we are developing, and not simply within the department. This extends throughout the community as well in many community-based groups.

The recruitment efforts, in terms of delivering the message that Manitoba is a good place to be for a professional, are as important as any other single message we can do. I think in large part we have communicated that message with some accuracy and with some enthusiasm, and that is helping in recruitment.

Let me tell you that specifically on the issue of recruitment, when we talk recruitment outside of Canada, we have led as a province in the establishment of a federal-provincial committee which is currently addressing the issue at the Royal College level in terms of foreign-trained psychiatrist recruitment to not only Manitoba but indeed to Canada.

**Mr. Chairman:** Shall the item pass—the Member for Kildonan.

**Mr. Cheema:** One of the major recommendations was to provide six months of training courses for the primary care physicians. When the Minister announced his original priorities on mental health, one announcement he made in Swan River, he can correct me if I am wrong, was he said that the physicians who are going to have this training have to pay for their own training.

Can the Minister of Health (Mr. Orchard) tell us how people who are from the rural communities come, and leave their practices for six months and get the training and go back? That seems impossible. We have right now training procedures for the obstetrics, gynecology, anesthesia and those six-month programs are adequate at least to provide the primary psychiatry care. How many graduates, or how many primary care physicians, from the rural communities have been approached to make use of such a program for psychiatry?

**Mr. Orchard:** We have recently recruited, successfully, three general practitioners to enter the Career Residency Program in psychiatry for next July.

**Mr. Chairman:** The hour being 5 p.m., it is now time for Private Member's Hour.

Committee rise.

## SUPPLY—CO-OPERATIVE, CONSUMER AND CORPORATE AFFAIRS

**The Acting Chairman (Mr. Gaudry):** We will continue Co-operative, Consumer and Corporate Affairs. Item 3.(c) Manitoba Securities Commission: (1) Salaries, the amount \$1,045,900—

**An Honourable Member:** Where are we?

**The Acting Chairman (Mr. Gaudry):** Page 22, item 3.(c) Manitoba Securities Commission: Salaries—pass. Item 3.(c)(2) Other Expenditures, \$110,600—pass.

Item 3.(d) Public Utilities Board: (1) Salaries, \$460,500—the Honourable Member for the Interlake.

**Mr. Bill Uruski (Interlake):** Mr. Acting Chairman, can the Minister indicate what hearings are presently in process before the Public Utilities Board? What is being undertaken at the present time?

**Hon. Edward Connery (Minister of Co-operative, Consumer and Corporate Affairs):** Only the MPIC hearings are in progress at this present moment.

**Mr. Uruski:** Is the Telephone System submission that Members of the Public Utilities Committee were given detail of, is that the subject presently of PUB hearings?

**Mr. Connery:** Those are slated for the third week in December.

**Mr. Uruski:** Under the Public Utilities Board is there authority for the Minister to fund advocacy groups that may wish to make presentations to the PUB?

**Mr. Connery:** Yes, it is under the discretion of the PUB, but they have a process in place, guidelines for funding. I think the major interveners have been funded: the consumers, the seniors, Arne Peltz has been funded and they have been very up front in letting him know in advance that in the past they used to have to intervene and then worry whether they were going to get funding. They have attempted to, in most cases, let them know, the major interveners, the serious ones, that there would be funding available and I think what amount is also being indicated. The amount varies from time to time.

**Mr. Uruski:** Mr. Acting Chairman, are there any interveners presently being funded under the hearing that is in process for the Public Insurance Corporation?

**Mr. Connery:** Yes, the amounts have not been determined, they will put in an application. Those amounts have not been determined at this point but the major interveners, the Consumers' Association, the seniors, have always been funded for their interventions.

**Mr. Uruski:** I did not get who the groups were from the Minister that are in fact interveners presently, are they the seniors organizations and/or Consumers' Association and any other additional groups requesting funding?

**Mr. Connery:** The Consumers' Association and the seniors are the ones who will be applying.

**Mr. Uruski:** I thank the Minister for that information. What type of budget is there that the PUB has for assisting interveners?

**Mr. Connery:** The funds for the interveners does not come out of the department or out of the expenses of the PUB, they are paid for by the applicant, whether it be Hydro or MPIC. Those charges of the PUB for the interveners are assessed to the utilities.

**Mr. Uruski:** There are guidelines I understand, is there a maximum that is generally allowed for the interveners to prepare their case? What has been sort of the format over the last number of years for the groups?

**Mr. Connery:** There is no maximum, it would depend on the hearing itself, the length of the hearing, the amount of expertise that they had to hire to help them with their intervention.

**Mr. Uruski:** I will use the MPIC hearings as an example. Last year there was a hearing, what groups intervened and to what extent were they funded?

**Mr. Connery:** That information we do not have on hand but that is information that can be supplied very, very quickly. It is public information, we just do not have it before us.

**Mr. Uruski:** I thank the Minister. I will expect either written advice to the two critics on the question raised will be sufficient in terms of the information that he supplies.

In the hearings that were held on the Highways Protection Act there were three, as I gather, from the annual report last year. Were any of those hearings and decisions upheld in the appellants name?

**Mr. Connery:** In the 1988 Annual Report all three appeals were allowed.

**Mr. Uruski:** I note that the PUB has authority to review utilities operations under the Gas Pipeline Act. I am wondering whether the utility would hear applications from communities if they could not reach agreement, say with ICG to extend the pipeline, to hear arguments, both pro and con, to a community's request for an extension of gas utilities whether that would be in the scope of the PUB.

**Mr. Connery:** Those would be allowed.

**Mr. Uruski:** Mr. Acting Chairman, I wonder if the Minister and his staff would provide for me their guidelines at a later date, sometimes by mail, as to the process that an intervener might take if an agreement could not be reached to provide those services.

**Mr. Connery:** Yes, the department would be pleased to submit that within a week or so, no problem.

**Mr. Uruski:** Thank you.

**Mr. John Angus (St. Norbert):** I am pleased that Mr. Robertson is here, it is a pleasure to see him again.

My questions concern policy of the PUB and therefore the global budget of the Public Utilities Board. I would like an explanation as to the reasons, I guess is the best way I can state it, or what authority they use to ask a Crown corporation such as MPIC to make a submission on something that would clearly be a policy change by the Government. I am referring to the no-fault insurance request as it affects the rates of MPIC

users. Something that perhaps the corporation itself was not contemplating in their application for rate reductions or increases, and how they balance the requirements to a Crown corporation of that.

\* (1520)

**Mr. Connery:** On the particular subject, the PUB asked for that sort of study to be done of MPIC as far as the no-fault insurance.

**Mr. Angus:** Mr. Acting Chairman, I may be naive but it is my impression that Government sets policy. A major change in policy would be to implement some form of a no-fault insurance program. I question the Minister and his responsibility of his department when they apparently exceed those bounds and ask for something that is clearly within the Government mandate to make recommendations and/or policy decisions on.

**Mr. Connery:** Well, anything in a policy or legislative change is the prerogative of the Government of the Day, The PUB could have hearings and make recommendations to the Government. As you know very well the rate structure comes under the direct direction of the PUB but when it comes to policy, whether it be capital or whatever, while they maybe have hearings if it is a policy change or a legislative change naturally then they can make recommendations to the Government. The Government would make that decision.

**Mr. Angus:** Mr. Acting Chairman, may I ask through you to the Minister how they determine what policy questions they are going to ask and what policy questions they may not ask, and how they have arrived at the decision to ask different policy implementation, rate reduction type questions?

**Mr. Connery:** Well, after hearing the interveners and their suggestions the PUB on that particular—just make some recommendations, but interveners can come forward in hearings and make recommendations to the PUB. The PUB then can say whether they want to pass them on as recommendations to the Government, but the Government, when it comes to policy or legislation, still makes that final decision keeping in mind that rate changes and rate applications are the direct responsibility of the PUB and make the final decision, but others, as far as policy, are the—maybe we take advice from the PUB and listen to their counsel but at the same it is the purview of the Government to make those decisions.

**Mr. Angus:** Mr. Acting Chairman, let me make myself absolutely clear. As far as I am concerned, the integrity of the PUB is above reproach. I am in no way chastising them, but I would like to get to the concern that I have as to who is directing policy. It seems to me that an administrative department will look at new and inventive, creative, administrative opportunities to improve their business. They will take that to the Minister responsible for that particular department and say, here is an idea we have, it is a major policy change from the current and existing system.

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To have the Public Utilities Board request lengthy, detailed reports from Crown corporations on something that the Government may or may not consider implementing seems to me to be a costly method of, at the very least, stretching their bounds. I wonder if the Minister could just comment on that. Again, I want to repeat, I am not challenging in any way, shape or form the integrity of the board.

**Mr. Connery:** Once again, I think the Member is getting back to the no-fault insurance with MPIC. In submissions made by interveners to the PUB, the PUB may make recommendations to the Government then it is up to the Minister responsible to take that forward and if there is a policy change to take it to Cabinet for a policy change and then announced by the Government.

**Mr. Angus:** Let me try and paraphrase to make sure that I understand and I am receiving the same message that the Minister is sending. I make public representation at the Public Utilities Board in relation to the hearings on Autopac, and I make a suggestion of something that I think will reduce the Autopac rate increase requirements. The Public Utilities Board responds on that with recommendations, in this particular case, they responded and said, we will ask the corporation to prepare a report and tell us what the cause and effect would be. Is that accurate?

**Mr. Connery:** Yes.

**Mr. Angus:** Let us take it to a different stage, let us move to the Manitoba Telephone System, as an example. The fact that the Manitoba Telephone System have decided to branch into other areas of responsibility, i.e., than their original charter calls, i.e., fax machines and/or computers and/or investments in North Africa. If an intervener came to the Public Utilities Board and said to the Public Utilities Board, I think that the introduction of these types of business arrangements, which are clearly a policy decision that is within the purview of the Government, are adversely affecting my rates as a telephone user, would they in turn then be required to look at that or is that optional, and how would they handle that type of a question?

**Mr. Connery:** Well, once again, the board asked MPIC to do some preliminary study on no-fault so they would have some basis, should it be needed, to make Government policy later. So they asked the MPIC to do some of that study but anything that happens within the telephones if it is a major policy issue that policy will be determined by the Minister and forwarded to Cabinet.

If you are looking at policy of the Telephone System or other utility, then you would have to direct those questions to the appropriate Minister. We have the PUB legislation to adjudicate and that is what we do. We work within the framework of the legislation that sets down the rules and guidelines for the PUB.

**Mr. Angus:** My concerns are, who is directing whom, if you like. I recognize the responsibility of the

Government to establish the policy. We want to be in the fax business within the Manitoba Telephone System, that is a policy decision that they can and indeed appear to have made. I wonder if the Public Utilities Board, as it affects the Manitoba Telephone consumers' rates, reviews, investigates and makes recommendations on that particular issue.

**Mr. Connery:** Yes, the PUB studied some of these recommendations that are coming forward. While they have no mandate to force the utilities to implement them, they may study them and make some recommendations to the utility. If the Member for St. Norbert is concerned about the MTS selling fax machines then he should inquire of that of the Minister for Manitoba Telephones.

**Mr. Angus:** I am clearly not making myself clear to the Minister. My concerns are with the regulatory body that governs the authority of the Public Utilities Board and for him to suggest that the Public Utilities Board, in anticipation of Government policy, has asked for a review of no-fault insurance seems to me to be leading the Government down a potential garden path. I only want to be absolutely clear as to whether or not they have this authority and they can be doing it. I am sure they will do an excellent job.

\* (1530)

I am not challenging their ability to interpret that, Mr. Acting Chairperson. I do not believe that the question I am asking as to whether or not they would review fax machines is a question to go to the Member who is responsible for the telephone companies because he has set that policy or he has not set that policy. What I am saying is, does the Public Utilities Board have the authority to ask the people from the Manitoba Telephone System what the costs are, why they are in fax, and what the drain on the potential revenue is or the reduction of potential rates are on the Telephone System? It seems to be a perfectly analogous case to the MPIC case.

**Mr. Connery:** The area of fax and whatever, whether it be computers, is not a regulated area of MTS, and therefore does not come under the mandate of the PUB. When it comes to rates that they are charging which is the regulated part then the PUB sets those rates but, as far as the other, the PUB can make recommendations to do some studies, or they can suggest to a utility that maybe they take a look at certain studies, but they cannot mandate them. The direction that the particular utility takes comes out under the purview of the Minister.

**Mr. Angus:** Again, I will ask the Minister to correct me if I am wrong. If the Manitoba Telephone System comes forward and says, we want to increase our telephone rates by 10 percent and the Public Utilities Board looks at their business plan, at their operation, and finds that they are investing an awful lot of money into an area that is not directly related to the delivery of telephone service on what would be termed, in a positive sense, "a flyer." Is it permissible for them to look at that and counsel the Government and/or report to the general public that is a bad investment?

**Mr. Connery:** Well, I will try to make it clear to the Member for St. Norbert that there are regulated aspects and non-regulated aspects. If the Telephones or a utility—well, the Telephones, we will keep it fairly simple so that maybe we can get some communication going—if they go to the PUB for a rate hearing and part of it for their increase in a rate is that they lost on a non-regulated area. The PUB could say, no, we will not give you a rate increase that will cover those losses, the rate increase would be for the regulated part.

So if they lost money on fax machines they could say, no, you cannot add that into the rate increase, that is not part of your mandate. If you want to do the other that is fine, that is your policy decision, but we will not necessarily give you a rate to cover those losses.

**Mr. Angus:** I am just following that line and I appreciate that answer. Would it be consistent then for the PUB to ask the utilities, in this case Manitoba Telephone System—and by the way, we are using this as an example. I am not taking a position one way or the other, I am not picking on you. I can see you are getting paranoid and that is why I wanted to clarify that.

The question is, if the non-regulatory area had created a loss is it likely that they might ask, as they did in the case of MPIC, for a business plan and for a development plan to show how by covering the loss this year, or a portion of the loss this year, by a rate increase there is an intention to recover, is that again within the purview?

**Mr. Connery:** They could ask for a business plan but there is a separation between the regulated and the non-regulated and that has to be very clear. So they are not going to necessarily give them a rate increase to cover something that they did in the non-regulated and lost money on.

**Mr. Angus:** Well, perhaps then just for my clarification, if you go back for a moment to advise me what is regulatory and non-regulatory in perhaps MPIC again, as an example, is it all regulatory? I am having difficulty interpreting the distinction as to “what things.” It seems to me that when I look at the bottom line of a business I look at all of the things that have affected that bottom line. If I have to put my prices up in the common marketplace it is a result of all of the factors, the decisions I have made that affect the bottom line or the price increase required.

**Mr. Connery:** Once again, the separation between the regulated and the non-regulated, there is no obligation on the part of the PUB to set in the rates that the Telephones would apply for because there was a loss in a given area, there is no guarantee that they would do that so there is that separation. You have to keep in mind that there is the regulated and the non-regulated. The PUB acts and sets the rates in that regulated area.

**Mr. Angus:** Let us move back to MPIC then. How do you determine what the regulatory effect or non-regulatory effect is of no-fault insurance, as an example, how does that apply?

**Mr. Connery:** Well, no-fault at this point does not exist. So all the PUB were suggesting to the MPIC that this seems to be a subject that is current, or on the minds of some people. They have suggested, not mandatory, that they might want to do a study on no-fault so they would have that information for future decision-making.

**Mr. Angus:** Mr. Acting Chairman, that is exactly my point. Under what authority and why do they ask for “topical, on the minds of people” items? How do they distinguish between which ones they want and which ones they do not? There were hundreds of recommendations in the Kopstein Report and I am not sure how they single out one to report to. Why did they not, for instance, ask MPIC to comment, and/or to quote, and/or to file information on the elimination of agents as collection agents and start doing the thing directly? Surely that would have at least a cause and effect on the rates that MPIC charges.

**Mr. Connery:** It is strictly judgmental on behalf of the PUB what they think would be of some help for future considerations.

**Mr. Angus:** I will leave this line of questioning. It is my opinion, only my opinion, that the PUB is exceeding its authority and that it is a ministerial responsibility. The Minister responsible for MPIC (Mr. Cummings) should be making those requests of his department heads and examining those things. I think, Mr. Acting Chairperson, that it is a very dangerous and it is going to be a potentially budgetary costly direction that the PUB is taking to challenge policy that Government is going to or wanting to establish.

I again question why they pick one and not another and under whose judgment it is that they do decide to pick it. There are literally hundreds of things that they could have looked at at MPIC, they could look at within Hydro, they could look at within Telephones. I think that those guidelines and those directions need to be tightened up so that the PUB knows exactly what it can and should be looking at and/or asking for and giving direction in that fashion.

Having said that, unless the Minister wants to rebut, I do not have any more specific questions on the PUB.

\* (1540)

**Mr. Connery:** I just appreciate the Member’s comments and they are noted.

**The Acting Chairman (Mr. Gaudry):** Item 3.(d)(2) Other Expenditures—pass.

Resolution No. 22: RESOLVED that there be granted to her Majesty a sum not exceeding \$4,410,100 for Co-operative, Consumer and Corporate Affairs for the fiscal year ending the 31st day of March, 1990—pass.

We will continue with item No. 4 Co-operative and Credit Union Development and Regulation, \$1,716,900—Provides technical assistance to develop and improve Co-operative and Credit Union operations in Manitoba and ensures compliance of the Acts established to regulate those operations.



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Item 4.(a) Co-operative and Credit Union Development: 4.(a)(1) Salaries, \$925,800—the Honourable Member for Interlake.

**Mr. Bill Uruski (Interlake):** Mr. Acting Chairman, the Estimates show a decrease in the expenditures of the salary ranges. Is this as a result of the amalgamation? The amalgamation as I understand it of Consumers department and the Co-op department occurred a year ago. Can the Minister explain what the changes are here?

**Mr. Connery:** Mr. Acting Chairman, three were in Co-op Development and one was in External Finance. All four positions had been vacant for some period of time.

**Mr. Uruski:** Mr. Acting Chairman, can the Minister elaborate on that a little bit? What kind of positions, how long were they vacant, and what were their functions?

**Mr. Connery:** Three were development officers and one was in the Financial Services Department. There was some sort of amalgamation in the department that accounted for that.

**Mr. Uruski:** How long were these positions vacant and why were they not kept on staff? Was there a problem in filling those positions? What is the rationale for that, Mr. Acting Chairman?

**Mr. Connery:** Two had been vacant for about a year and two had been vacant for six months.

**Mr. Uruski:** Mr. Acting Chairman, then they were not vacant for a long period of time? Can the Minister explain what these reductions mean in terms of the department?

**Mr. Connery:** Yes, there were three positions in the gas bar development and I guess when the gas bar thing was going quite strong there was quite a spread and cost of fuel. Now there is only one person in that particular department and they have gone back into the department to help.

**Mr. Uruski:** Mr. Acting Chairman, what I am hearing from the Minister is that they in fact are reducing their developmental role in that department. Were those development officers that were doing the gas bar development—could they have not been doing other developmental work in the department, or were these short term positions? That is not what I have heard from the Minister, but I would like to hear his explanation.

**Mr. Connery:** There has been no reduction of service and there has been no complaints about slowness of service. The Member well knows that I am very supportive of the co-op movement and co-op development whether it be in the credit union or the co-op movement. There have been no concerns of service. I am very aggressive—when we look at service to co-ops, we are very supportive. We see much in the way of co-op development in farmers markets, which

is the new one that we have. We have a lot of incorporations in the farmers market. Service is being provided as usual to the community at large.

**Mr. Uruski:** Mr. Acting Chairman, from what I have heard the Minister just tell me, these positions are not regulatory positions. They are developmental positions. They are there to promote co-operativism. They are there to, as one would say, stir the community. Where there is a consumer need as in the case of gasoline in northern Manitoba, the department became I guess you could almost say a community development department. They basically went into communities and said we can respond and we can assist you in doing these kinds of things because here is what has been achieved in other communities through the co-operative approach.

Mr. Acting Chairman, the Minister is correct in saying nobody has complained, because nobody will see them, but in terms of going out and assisting communities and offering assistance and taking a pro-active approach, we have moved away from that. That is what I am hearing from the Minister. If I am wrong in my assessment perhaps the Minister will correct me.

**Mr. Connery:** There is nothing different since we assumed office as what took place in prior years. Mr. Acting Chairman, we are very concerned about co-op development. Those people that want to incorporate or have a concern, we will look at it. Our department is available for people to come in and talk to them.

Sometimes the co-op way is the right way. Maybe it is an incorporation; maybe it is a partnership; maybe it is just a loose gathering of people to do something in a co-operative vein. So our department counsels them in the proper way to achieve what those people in the community want.

By and large I guess we would assume that the bulk of co-op activities takes place in rural areas, smaller communities maybe, where some of the larger retail outlets or whatever are not that anxious to get into.

There has been no change in the thrust of the department. We are there to serve and to serve well those that want to have some of the—I guess I can look at the incorporations that have been—in '85-86, we had 46; in '86-87, there was 49; in '87-88, there were 61; '88-89, there were 40; the number for '89-90 is projected at being 47; and projects in various stages of development are 52. Whether they finally come to decide to incorporate as a co-op, of course, is up to the individual.

\* (1550)

There are a whole lot. I can list some of them that we are doing. Of course this is in the North. There has been some request to establish co-ops by Indian Bands. These are at Gods River Housing Co-op, Gods River Trappers, Co-op, Gods River Chicken Broiler and Egg Co-op.

We have another assisting gas bar program with possible co-op objectives, and in the gas bars we still have the money available. There has been no pulling

away of that funding that we are prepared to co-operate along. There are federal grants if they get into that.

We are looking at housing co-ops, TV co-ops at Garden Hill, a wild rice co-op—they have incorporated in '89—the Garden Hill Gas Bar Co-op is a consumers' one; the Garden Hill Day Care Co-op; also establishing at St. Theresa, there is a lodge co-op, and it is an employment; we are looking at Valley River, and they are establishing, with Indian Band support, the Valley River Saw Mill and Logging Co-op; Valley River Food and Catering Supply Co-op; at Red Sucker Lake, they are working with the Indian Band to explore co-op opportunities; at Wasagamack, working with the Indian Band to establish a consumers' co-op.

So, Mr. Acting Chairman, the department is aggressive. We are there to serve the needs of the people. We will work aggressively with them in any way that they want. If it is a co-op, if it is after consultation, they decide they are better to go in a different venue, the goal of the Department of Co-op is not just to incorporate co-ops. It is to assist people. That is the key, as a Government and through this department or whatever other department, to assist people when they have a need. Our department is continuing to work aggressively in that way.

**Mr. Uruski:** Mr. Acting Chairman, I remember as Minister of Agriculture we reduced funding in the 4-H area, in a budget of I guess about a quarter of a million dollars, by \$13,000.00. We did not hear the end of that reduction, and by the way there was not one staff reduction in the department, from Conservative Members.

Here we have a Conservative Minister cutting developmental costs by \$100,000 in his department and knocking off, is it three, four staff positions in his department, and he has the gall to stand here and say that we are as supportive as ever to co-op development.

Mr. Acting Chairman, maybe the Minister can sell his rhetoric to some people in this province. Let him not stand in this Chamber and try and sell it to me or Members out of this Party. Let the Minister get up and admit that he is reducing co-op development as his own statistics show, that he just quoted to me, and let him admit that they are downgrading and have downgraded the Department of Co-op Development. Let him not stand here and try and say something that really is not so.

**Mr. Connelly:** Well, the Member has just very clearly stated, and I think it is kind of a little bit ironic that he is still mad about some criticism that he received when he was the Minister, so now we are going to create some political havoc or create some political havoc or create some political mayhem because of some cuts in staff.

There have been cuts in staff in other departments. In his regime there were cuts in staff. I think the important part is what we are doing for co-op development. As I said very clearly, we are working very closely with the department. I encourage people to become involved in the co-op development. I take

exception to the comments of the Member. Maybe he did not like criticism when he was the Minister. That is fine. I am the Minister now and he can criticize. That is the role of Opposition, I accept that.

I will say very clearly on the record though that I am very co-op minded and I will continue to work with people. If we see the need for more staff I will be the first one to go back to the Treasury Board to see if we cannot improve it, but first of all comes the needs of the people.

The political event of a Party is of no concern to me; it is serving the people of Manitoba.

**Mr. Cowan:** Mr. Acting Chairperson, can the Minister indicate over the past three years, starting with the last year and working back two years, the total number of staff in the Department of Co-operative Development on a yearly basis?

**Mr. Connelly:** Would the Member repeat that question, please?

**Mr. Cowan:** Can the Minister give us the figures on the total staff component of the Department of Co-operative Development for the past three fiscal years?

**Mr. Connelly:** That information is not at our fingertips. We would be pleased to supply the Member with that.

**Mr. Cowan:** Perhaps if the staff can take a look in their Supplementary Estimates, which I do not have in front of me but I know they have in front of them, they will find that that information is contained, if they can work on that.

I would ask them when they are working on that to find out as well to tell us how many of those positions, at the point in time when they were being debated in Estimates, were filled and unfilled?

**Mr. Connelly:** That is information that staff does not have at their fingertips. That is something that would have to be researched.

**Mr. Cowan:** The staff will have a—and they should have it at their fingertips, they did in the past I believe—vacancy rate, in other words a percentage of the positions that are vacant.

I would believe that they should be able to put that together relatively quickly. It is probably in their briefing books in front of them if their briefing books are as complete as they were in the past. They should also be able to tell us very quickly now as to the number of staff in any given year.

Further to those questions then, I would ask the staff to provide some indication as to the shifts in staff from the different components of the department? I would break it down into basically four components: the Minister's office, the developmental component, the regulatory component, and the administrative component. They should be able to tell us based on the information available to them how that has changed. I would make it easy for them, just changed over the last year from this year to the last year.

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\* (1600)

**Mr. Connery:** When it comes to the Minister's office the Member should very well know that the department was under the Minister of Justice, and there were no ministerial staff when the separation was made. There were no ministerial staff. They all went with the Minister of Justice. The increase was two Minister's secretaries, an EA and an SA. The department is just giving me the other numbers. To give the Member the full, accurate information, the department is going to have to go back and analyze it very carefully. We will provide that information to the Member next week.

**Mr. Cowan:** Well, if the Minister would turn to Appendix 1 in the Supplementary Estimates, I think you will see a chart which shows the actual expenditures and the adjusted vote in the main Estimates for the last five years. Starting with the year '87-88 we had an increase. We had 46.26 staff showing up under Co-operative & Credit Union Development & Regulation; then in the year '88-89 that dropped to 38.26; then in this main Estimates it drops to 34.26. Are those the correct figures that one would use in trying to determine how many people are actually involved in the work of the Department of Co-operative Development?

**Mr. Connery:** In the '87-88 numbers there were 46 people, but keep in mind when the Minister, that was allotted in large part when they amalgamated the two departments. There was the elimination of a Deputy Minister, Deputy Minister's staff, and all of the other complement that goes with it. This was part of the streamlining of putting administration and that sort of component into one, where we save significant dollars. The next year we were down to 38, that was the cut; and then to 34 in '89-90. Two of those came out of the gas bar program and put back into the development. Those are the numbers.

**Mr. Cowan:** Well, the Minister keeps saying that two staff years came out of the gas bar program and went back into development. Yet we see a reduction in development. Can he please clarify that rather apparent and significant inconsistency with what he says and what actually appears on the Supplementary Estimates?

**Mr. Connery:** They were vacant positions that were eventually cut.

**Mr. Cowan:** Now it does not make any sense whatsoever. The Minister said, and I heard him say and others in this room heard him say, that there were staffers that went back into development. He is now saying, and I had assumed that he had misspoken himself and was really saying that there were two staff that went back into development, but what he is saying now is that there were vacant positions so there were no staff attached to them and that those vacant positions went back into development. If I read the figures correctly, they went back into development and were subsequently cut from development as well, so it was just a paper chase in having them go from one area to another. In the end, they still do not exist. He indicates from his seat that is the case.

That is a very important clarification. I hope the Minister will be a bit more complete in his answers in the future so as not to leave the impression which I think most of us gained from his earlier answers that in fact there were not real cuts, but that they went from one area of the department to another, which brings us to the question of development. Can the Minister indicate how many projects are currently in work by developmental staff in the department?

**Mr. Connery:** There are 52. I just read the whole list out. I do not know if the Member was here or not, but I just read out the whole list, and we can photocopy it for him if he would like and let him know. It is in Hansard.

**Mr. Cowan:** I apologize. I was not here. I was in transit and apologize for any inconvenience I caused the Minister, but I would like to see that list Xeroxed. As well, is he prepared to Xerox a list of all of the existing co-ops that are currently registered with the department?

**Mr. Connery:** There are 440, but at the same time anybody can do a search and find out all of the numbers and the principals involved. That is not privileged information, that is public information. All one has to do is go and ask and do a search on it.

**Mr. Cowan:** The Minister indicates that it is not privileged information. It is not, of course, because they are all gazetted, but I am asking him to save us the necessity of going through each of the Gazettes over the past 30-40 years to determine which ones are in existence and which ones have been dissolved, because that is what one has to do. I know that the department in the past kept lists of all existing co-ops. I would ask him if those lists are still available. I do not need the addresses, I do not need the principals, all I need is a list of the names of the ones that are currently existing, and to add onto that I would also like the names of those that have been dissolved in the past two years.

**Mr. Connery:** That information can be gotten for the Member and I recognize that for an individual to do the search, now keeping in mind that he was the Minister of Co-op Development for many, many years, he is very familiar with the process and I am sure he has a copy of most of the co-op incorporations, maybe those only in the last 18 months that took place the Member might not have, he would have those and he would not have dissolutions I guess, but as a courtesy to the Member for Churchill, while it will take a little bit of time to compile them, we will be pleased to supply that information.

**Mr. Cowan:** How many dissolutions have there been in the past 18 months?

**Mr. Connery:** As of September 30, 1989, there are approximately 37 co-ops which failed to file a return. In some cases, their need for existence has ceased. I know in the co-op that my father was a co-founder in, at a point in time they went to become incorporated as a corporation for reasons. That one would then

become dissolved. There are many reasons why a co-op dissolves and basically there could be some short-term, there could be some of the gas bar ones maybe. I do not know which they all are, but there are about 37 which did not file an annual return.

**Mr. Cowan:** Now in order to be dissolved they have to be gazetted. Does the Minister have a copy of the gazette order?

**Mr. Connery:** Yes, we have a copy of the gazette. If the Member would like a copy of that gazette we would be delighted to provide it for him.

**Mr. Cowan:** If the Minister could send that over then it would be helpful.

The Minister indicated that the gas bar co-op program previously had three developmental officers in it, if I understand him correctly, or three staff. It now has one. Can he indicate who that staff person is and what activity by way of development, new developments of gas bars in communities not presently served by either a gas bar co-op or a structure that formed because of the work of the department to try to create a gas bar co-op, how many communities are now being worked by that developmental officer to establish new gas bar co-ops or entities like them?

\* (1610)

**Mr. Connery:** Greg Thompson is the individual that is involved with the gas bars. There were 22 communities visited. Seven are being actively worked on. If the workload becomes too heavy for the individual, as they do in other departments, then there is some shifting of staff to accommodate that load.

**Mr. Cowan:** Which communities are currently being worked on by the—well, I sense some frustration on the part of the Minister, and I am asking him to have a bit of patience. I do apologize if they have been read off previously.

**Mr. Connery:** These were read out earlier and why I exhibit the frustration. That is fine taking the time, I got all the time in the world so we will go through them again. Garden Hill—do you want us to give you a copy of this? Red Sucker Lake, I will go slowly so you can write it down. Gods Lake Narrows, Gods River, Wasagamack, Natwingay Lake, and Shamattawa. To date only Garden Hill is incorporated as a co-operative.

**Mr. Cowan:** Mr. Acting Chairperson, I think had I been asked to read out a list of areas that were being worked on when I was Minister of Co-op Development, I would have read out basically that same list or at least 87 percent of it or 86 percent of it. There is one name in there that I did not recognize and that may be pronunciation as much as anything else. Notwithstanding the fact there are no new communities, or if there are there is only one new community in that area, that established a gas bar co-op or an entity that arose out of the work done by the department to try to establish a gas bar co-op. Not all of them became co-ops in that list.

What new work is the Minister directing his department to do to ensure that these sorts of benefits arising out of the flow from gas bar co-ops, such as significantly reduced prices, are flowing to other communities in the province? We started this program out three or four years ago on a trial basis and those were really our trial communities. We were trying to put it together very quickly and we tried to contain the number of communities that we were working with because we wanted to be able to focus some very limited staff resources coupled with some very little experience on some areas where we thought we could have the most impact. But there are a number of other communities that have indicated to me in the past that they would be interested in gas bar co-ops, and they have not made it on the list since those original communities that we established under the program.

So it looks as if the program has stalled at the state it was when the Government changed hands 18 months ago. I am not surprised about that because I remember when we first described the program, there was a significant degree of criticism from Members opposite with respect to the gas bar co-op program. They were critical of it. They did not like it. It did not meet with their own view of how things should be done. As a matter of fact I remember the Member for La Verendrye (Mr. Pankratz) calling it, and I quote "the titanic" of co-op programs. That is how the Conservatives perceived the gas bar co-op program, to be a Titanic, something that was going to invariably fail, that was going to sink. The fact is that while it does not appear to have sunk, it sure appears to have been mired in the mud under the present administration because they are not adding new communities.

When the Minister says that the price in gas has come down and the differential has narrowed to the extent where the gas bar co-op program is not as useful, and that is what I heard him say earlier, as it was three or four years ago I challenge him to travel to Brochet. I challenge him to travel to Lac Brochet. I challenge him to travel to Tadoule Lake. I challenge him to travel to any number of remote communities that in fact do have very high prices for gas and oil which could be brought down through the use of the department's developmental staff—which has now been reduced significantly—to establish either gas bar co-ops or other entities similar to gas bar co-ops that would reduce the price. So I ask him why is it that there has been no significant addition of communities under a program which had such a tremendous and profound impact on the communities that it served?

**Mr. Connery:** Well, I think we want to be very clear that the communities the Member named were visited by the department, were offered any assistance. The funds are still in the appropriation. There has been no reduction of the funds available for the program. It is up to the communities now to decide whether they want to go into the program or not, and we will support them in any way.

I disagree with the Member's remarks that we are mired down in the mud. We are a pro-active department, we will co-operate with any community. I am not going to say to the department "go out and incorporate people

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and co-ops" for the sake of incorporation. We are going to work with the community in any form, whether it is a co-op, just a collection of people who want to do something on their own, whatever it is. That is the thrust we have, working with people. Just because it is not a co-op does not mean we are not working with people and people are not helping themselves. We have visited those communities. The offer of help has been made to them. The decision is up to the individuals whether they want to work with us and form a co-op. That is open to them, the door is wide open. They can come at any time.

**Mr. Cowan:** The Minister obviously does not understand some of the communities with whom he is dealing. That is not to say he does not understand them all, but he should know. If he does not know, his staff should inform him that helping establish a gas bar co-op in a community such as Brochet or Lac Brochet is not enough. It was not enough in the mid-'80s when we started this program. We did a lot more than extend an offer of help to Garden Hill and to Red Sucker Lake and to Gods Lake and to Gods Lake Narrows and to Shamattawa. We worked very, very closely with the communities. We spent a lot of time in the communities. With some communities we spent more time than others. We encouraged the establishment of gas bars.

I agree with the Minister. I got a sense that he was trying to suggest that others felt it was important to go out and incorporate the gas bar co-ops just the sake of incorporation. I think in all the ones we dealt with, by the time we were done I do not believe we had one co-op incorporated. I think we had five or six communities that were being well-served by the Department of Co-operative Development, but I do not believe there was one that was in fact incorporated as a co-op at that time. I think the only incorporation has come since that time.

Now personally, I would like to see them incorporated as co-ops. That is a personal bias because I think it enables them to better structure their affairs. On the other hand, there are cultural considerations, there are political considerations at the local level, there are legal considerations that had to be acknowledged. The consideration of all those elements led us to the belief that perhaps, even although we had a personal bias towards co-ops, co-ops were not the way to go in order to provide the cheaper gasoline which we wanted to provide, and that was our goal.

So let him not suggest that there was any desire with respect to the gas bar co-op to incorporate just for the sake of incorporation because we did not incorporate. What the objective was to have cheaper gas prices available to residents of communities where the price was artificially high.

So I would ask the Minister if he can indicate exactly how many visits his staff made, and I am going to list four communities in my own constituency because there is a bias there: to South Indian Lake and the dates of those; to Tadoule Lake and the dates of those; to Brochet and the dates of those; and to Lac Brochet and the dates of those. I do not expect the answer

today; I am putting that question on the record. What specific action has been taken to help work through the problems that those communities are going to face in trying to establish these sorts of services for themselves?

**Mr. Connery:** We will get that information for the Member. I will say to the Member that we had had a northern trip planned this summer. It was in my agenda. We were going to go in, I think it was the third week of August we had booked to travel the North with the Director of Co-op Development, Mr. Hryshko, but with the fires and the turmoil that were in those communities, we did not think right at that point they needed another department coming in. They were too busy putting their lives back together. Now whether we can do that this winter or whether we will have to wait until next summer, as the Minister I can assure the Member that is on our agenda personally, to get up and visit these communities, whether it be Indian reserves or local communities, to talk to them about their needs as far as co-ops go and to offer whatever assistance.

As far as the staff going up, we will do that, but let it be known to the Member, it is the same staff that were there when he was the Minister of Co-op Development, the very same staff, doing the very same thing with no change in direction from the Minister. At least I do not think there is, unless it is an indication that we want to be very pro-active in assistance to these people. That is my direction to them. So I do not know, I would not suggest that is a change. I assume the previous Minister, the Member for Churchill (Mr. Cowan), was pro-active, so nothing has changed in the department since he was the Minister.

\* (1620)

**Mr. Cowan:** The department has gone through significant change since I was Minister. It was a stand-alone department when I was Minister, it was then incorporated into another department with an overworked Minister who, no matter what his talents and abilities might or might not be, would be unable to provide it with the type of time and direction that I believe it required.

It has now rolled into another department. Again, I say the same thing, it is no reflection on the individual Minister. I believe when you have a stand-alone department—and we made it a stand-alone department as I became Minister of it for that reason, because we felt that it did give it a priority, it did give it a uniqueness, and it did make it one of the four prioritized economic development departments in the Government. For those reasons, it was given a bit more clout and a bit more power within the workings of Government itself. So it has gone through significant change.

That is not a reflection on the staff. The individual staff are probably trying to do their job just as well as they were trying to do their job under the previous administration. The Minister is probably, in his own mind, with his own background, sincerely believing that he is trying very hard to do the sorts of pro-active things which will benefit the co-op sector in Manitoba.

But I can tell him, when you reduce the staff in the way in which the staff has been reduced, and when you meld the department into other departments, it is going to have an impact.

I keep contact with a number of individuals in that department on a friendly basis. I do not ask them for privileged information, nor do they give me privileged information because I believe that is unfair. It would be unfair to ask them and it would be wrong for them to give privileged information, but I do meet with them occasionally and we cross paths in a small city and we talk to each other and I can tell them that, from time to time, just as there was with my tenureship, there are different levels of morale within the department.

But, generally, the morale in the department has been somewhat less, from what I am being told, since the change in Government, because of the shift into a new department, because of the dilution of the uniqueness of the department, because of the cutbacks in staff. I think that is something where we will honestly have a disagreement as to whether or not it really exists and, if it does exist, what impact it has. I am only telling the Minister what I have been told privately, with respect to morale in that area.

The Minister indicated that there is a lot of development going on in the area of farmers market co-ops. I think that that is probably an area where the co-op can well serve a function. I always thought that it was important to prioritize different areas at different times, as a Minister, to try to embark upon new areas within the co-op sector. The Government could have a role in sort of formulating and establishing, then backing off a bit to allow the momentum that had been created by some direct Government encouragement and direction, to build out there at the grass-roots level.

I would ask the Minister as to how many farmers co-ops are currently being worked on, the names of those co-ops and the status of their developmental work at the present time?

**Mr. Connery:** I will give the Member those numbers. I think in his comments about the department being cut off and not being a stand-alone department, it is kind of ironic that his own Leader, the Member for Concordia (Mr. Doer), made fun of the department that we have now, that it was only Co-op Development, Consumer and Corporate Affairs and we have Workers Compensation in it, that it was not even worthy of having a Minister when we have all of those things. He said, all there is there is a desk and a plant. Well, I guess the plant I threw out because it was deadwood from the previous Government. One must take a look very seriously at what his own Leader is saying and is saying about obviously what he thought of the Minister, or when he was the Minister of Co-op Development only, that if mine is a small department then his was really that much less.

I take exception to his remarks because I think co-op development is very important. I think it was childish political hay that he was trying to make and I have no time for that. The co-op development is very important.

The number of co-op markets that came into play, and they are not all incorporated, there is a total of 18. Eleven of them are incorporated. They are in Altona, Boissevain, Brandon, Carmen, Dauphin, Gimli, Hamiota, Lac du Bonnet, Lundar, Melita, Minnedosa, Onanole, Selkirk, St. Malo, St. Norbert, The Pas, Virden, Winkler. The ones that are targeted for next year are Ashern, Steinbach, Arborg, hey this is the greatest, Portage la Prairie, Swan River, Roblin, Russell, Morris—well Portage la Prairie is considered God's country and best land and it has got to be the best vegetables and whatever for a farmers market—Morden, Souris, Glenboro, Stonewall, north end Selkirk Avenue, Neepawa, Thompson in the North, Rivers, Carberry, Pilot Mound and Killarney.

I would say there were significant efforts to try to work with the community. What it does, the farmers markets—and while I am a vegetable producer myself, being on the larger commercial vein—we do not make use of the farmers markets because we sell in larger lots. For those smaller producers that have small amounts of produce or chickens or eggs or whatever it is, or it could be bread, of all the food commodities. There is other things too, there is clothing and there are crafts that are there, there is a whole raft of goods that are in the farmers market.

It gives a lot of people an opportunity to sell and make extra money, and especially in the rural community these days with the farming the way it is. It is not in its best with the drought and some of the prices that people have. We think this is a tremendous opportunity for people to use their imagination, a little extra work to go out and make those extra dollars that buy them those things that they really need. We are very, very supportive of the farmers markets and we will continue to work with any group. We will not pressure groups to do anything they do not want. We will be pro-active in the sense of people coming forward. We will do that.

I would like to point out to the Member, and he is very familiar with employee co-ops, and I can tell the Member that when we were in Montreal that it was Manitoba that led the debate and was trying to get the provinces to enter with the federal Government on a federal-provincial program on employee co-ops.

I feel very strongly about them. We have had some pretty good success with the employee co-ops. Vent-Air is the one that I think really is the shining light. It was going to be closed down due to difficulties of the management. The employees took it over and it is now a very successful business, and in fact has not only retained the jobs that were there but increased the number of jobs, some of them part-time, 50-55 jobs. There is another area that we are very pro-active on and want to see some action on behalf of the federal Government. As the Member well knows, we fully fund the efforts of employee co-ops.

We were hoping to lure 50-cent dollars from the federal Government to get involved. Unfortunately, some of the Liberal regimes and some of the richer provinces did not see fit to come in with us. Unfortunately, it is still being worked on and we hope that it may come to fruition in another year. We were not successful in Montreal, but I can tell you that we will continue to

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press for an employee co-op program to help those employees, not only from businesses that are maybe in trouble, but a group of people that maybe see an opportunity for them to go into business. This creates jobs and jobs are the bottom line that this Government is looking for.

Everybody wants a job and we want to provide that opportunity for as many people to have a job in Manitoba. It does not matter what form it is under. Employee co-ops are a good opportunity for some people to have a job and to be their own boss, which a lot of people want to be and maybe on their own would never achieve that sort of standard, but because of employee co-ops they can now become their own bosses and run a business. I think it is a wonderful opportunity. We would be continuing to pressure for that particular program.

\* (1630)

**Mr. Cowan:** I note the Pages in the room, and the Minister had promised to send over a couple of materials to me. If the Page could pick those up and provide them to me, it would be helpful.

I will work backwards from the comments that the Minister said with respect to employment co-ops. I think the Minister should know, and I am glad to see that he is continuing on with the work that was initiated under the previous administration, that the reason that he even brought a paper through the department to the First Ministers' Conference was because the previous administration under my tenure as Minister put that on the agenda.

It was the first meeting of Ministers of Co-operative Development and the federal Minister responsible at the time was Charlie Mayer. In Saskatchewan, when we put on the agenda the issue of worker co-ops, it was not there before, and it has stayed on that agenda. I wish that the Minister had been able to come back and say that he had finally gained the objective that I had been working for, my Government had been working for for some time. That was cost-sharing of the employment co-op program with the federal Government.

I wish him well in his future endeavours there because I think that it will benefit not only the province, but the individuals who are looking for ways to create their own jobs or to save their jobs. Federal funding assistance, 50-50 or 60-40 dollars or however it settles out now, even 75-25 would be a way of increasing the activity of that program.

So I will ask the Minister, and I will set up a number of questions that he can try to answer at the same time, as to how many new employment co-ops have been incorporated under the tenure of his Government? How many are in the developmental stage, and how many have been dissolved under the tenure of his Government? I would ask him as well to confirm that the existing funds that were available under the same program criteria as were available before still exist. That is the one question.

With respect to something he said, that jobs are the bottom line and we want everyone to have a job, I

would ask him if his department has done any research with respect to the possibility of an employment co-op to take over the LynnGold operations in Lynn Lake. I asked him that question previously and he said that the individuals -(interjection)-

Well, now I hear the Minister of Community Services say from her seat, it depends on the price of gold -(interjection)- and she says, is that going to change the price of gold?

I have to tell her that when we first started with the difficulties in Lynn Lake, the gold price was at \$367 an ounce. Today, it started out, I think it opened at \$392 an ounce. It has been on an upward trend for the past little while. Under an employment co-op you can produce goods, and it has been proven time and time again, much less expensively than you can under other forms of business ventures.

That is a reason why employment co-ops in so many instances work to save jobs where a business is failing, when the other forms of business would not be able to save that particular operation. That was partially the case with Vent-Air, although not fully the case with Vent-Air. There were some management difficulties that were involved there as well, but that has been the case with respect to other employment co-ops, not only in the Province of Manitoba but across the country and internationally as well.

I had asked the Minister what action he has taken to at least research and review the potential of an employment co-op for those employees in Lynn Lake. He talked about being pro-active. One of the definitions of being pro-active is to anticipate problems and act on them before they actually become problems. Otherwise, one is reactive. I think if the Minister uses the excuse that we have to wait for employees to come to us, then he is in fact saying, we will react to the situation but only under certain circumstances, whereas, if he truly believes in a pro-active stance, he would go out and initiate those discussions to see if in fact there was any potential, just as we went out and initiated discussions with respect to the gas bar co-op to see if there was any need there.

We did not wait for people to come to us and say, we want a gas bar co-op in order to resolve some of our difficulties in obtaining gas at reasonable prices. We went out and said to them, this is what a gas bar co-op can do. If I hear the Minister he is very complimentary about that program. He thinks that program has worked. Well, that is how that program was developed. It was not a matter of having people come to us from Gods Lake Narrows or from Garden Hill or Red Sucker Lake or Shamattawa and say, geez, we really would like a gas bar co-op, let us go to it. It was a matter of staff, spending some long hard hours developing the program, going into the communities, working with people, working through problems, coming back, going back again and trying to make the arrangements that provided for that incorporation, whether it is a gas bar co-op, or some other entity that would bring lower gas prices to the communities.

So I would hope that he would be more than rhetorical in his approach in saying that he has a pro-active

approach rather than a reactive approach, and show it by contacting workers in the community of Lynn Lake to see in fact if they did want to develop, or at least review, options around a worker co-op that might help them, or an employment co-op that might help them.

He read off a list, a long list of communities that are being served by farmers market co-ops, and I want to encourage him and I want to compliment him on the list. I think it is a good list, I want to encourage him to proceed further in that area. I attend the St. Norbert Farmers Market Co-op from time to time and I note that a lot of friends and neighbours do as well, including the MLA for the area, and I think we all agree that it has added to the quality of life of that community and the quality of life of the participants in the Farmers Market Co-op. In order to get a better understanding of it, I would ask the Minister if he could define the process that was undertaken in order to develop that list of communities where farmers market co-ops were established, and what actions his Government took to assist in the development of those farmers market co-ops, and what specific program he has in place in that area?

**Mr. Connery:** Well, Mr. Acting Chairman, first of all, the Member is right, he was the first Minister from Manitoba when the employee co-ops were discussed in Ottawa. I do not know why he did not make the second meeting, I am sure that he must have had a good reason for not going to the second conference.—(interjection)— Well, he thinks he probably did, maybe we would have had greater success had the Member made that extra effort to make the second meeting, but there are reasons why Ministers cannot and I am not going to be overly critical of him of that.

As far as employee co-ops, there were 13 last year, to date there are three, and we are still pro-active in it. As far as Sprague goes, in the southeast corner of Manitoba, the department has already been out there pro-actively. There were no negotiations going on at Sprague as there were at Lynn Lake. It would have been inappropriate I think from the department's point of view to be out talking of a different program while they were still in negotiations trying to achieve a settlement at Lynn Lake with the company, so it would not have been an appropriate move at this point. If the people at Lynn Lake, the employees, want to explore the avenue now of a co-op, we would be pleased to communicate with them and suggest that is an avenue, but when we are looking at something of the magnitude of Lynn Lake, the expertise required, the fact that gold is low and there is no guarantee that gold is going to go up, it would take humongous amounts of money when the \$24 million that the Government put on the table in various forms to LynnGold, to the company, to keep the mine going. Obviously they did not think it was adequate and, as the Premier said, that is a lot of money that we are committing to one sector and was the bottom line, I gather, that was prepared to be offered. Now, if it was to be a worker co-op, then of course there would have to be tremendous infusion of funds to make it go.

So we are not saying that it cannot happen, we would be quite pleased to talk to them and give them whatever

assistance that the department has available. But we were in Sprague pro-active, the department went out to Sprague to talk to the workers there and who knows what will come about, but we will make every effort to assist them. If that is the route they want to go, we will, as the Department of Co-op, encourage them. Of course, the Member well knows whether they would be able to raise the money or have other Government assistance, that would have to come out of various departments and a proposal taken to Cabinet. But, yes, we will be pro-active and continue to be pro-active. We support the employee co-ops program. As the Member for the Interlake (Mr. Uruski) said on Tuesday, that conservatism and co-operativism are at opposite ends of the spectrum, there is nothing further from the truth than that that is the case.

\* (1640)

I suggested to the Member for the Interlake that if he did a count of members of co-ops, caisses populaires and the credit unions in Manitoba that they would find that the number of NDP supporters that were members would be very small in number, and there would be a high proportionate number of Liberals and Conservatives.

I take a look at the co-ops in my own home town of Portage la Prairie and I do not see a lot of NDP members of the co-op, maybe it is because there are not many there. We see Conservatives and Liberals, supposedly from the centre and right of centre, part of the co-op movement. Who brought in legislation? Who brought in the initial federal legislation? There has never been an NDP Government federally, but all of this federal legislation has been brought in by various Conservative and Liberal Governments.

You take a look in Manitoba, the legislation that has been brought in by Conservative Governments, and maybe even some by D. L. Campbell, I do not recall. I do know that it was George Hutton that brought in the Vegetable Marketing Board, I cannot remember the year, it was in the mid-'60s, the early '60s, a very strong proponent and worked with us to develop that.

I worked very closely with the previous Member of the NDP Caucus, Sam Uskiw, from Lac du Bonnet. Sam and I worked very hard co-operatively to bring about the Vegetable Growers Marketing Board. We were successful with the Conservatives in doing that.

I think when we talk about co-ops and the co-op movement, I think we look at not by Party—it is not the domain of the New Democratic Party—it is the people of Manitoba and I think of all Parties. All the people of Manitoba are a very co-operative group of people. We work with all people in Portage la Prairie in our marketing boards. We have Liberals, we have Conservatives, and we have members of the New Democratic Party working co-operatively for a common good, which was in this case the farmers, and providing an adequate supply of food to the consumers in a high quality way. This was part of what the marketing boards did. They worked very carefully with the growers trying to ensure that we grew as much product as possible, and that created jobs.



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We did market studies of what was coming in from other provinces and from other states. We saw that there was a lot of product that was coming in that we could grow at specific times of the year and offset that other product coming in, which created many, many jobs in Manitoba. Hundreds of jobs in the horticultural sector.

I think that the co-operative movement is a healthy movement, but it is not the domain of one political Party, it is the domain of the people of Manitoba, and I am quite proud of it.

**Mr. Cowan:** I have never said that the co-operative movement was the domain of any one political Party, but I do know the history of the co-operative sector in Manitoba, and I do know when certain events transpired and certain events did not transpire.

I want to address some of the points the Minister made. He said that the federal Conservative Government is the Government that has really been the friend of the co-ops, that it was—

**An Honourable Member:** Conservative and Liberal.

**Mr. Cowan:** Okay, Conservative and Liberal Governments, I will lump the two together because I do not believe there is much difference between the two in any event.

You have the federal and Conservative Governments which he thinks are such friends of the co-operative sector. I can tell him that it was not the Liberal Governments provincially that stopped us from getting funding, cost-sharing, for an employment co-op program. It was the federal Government that would not cost-share it with us. It was the federal Government that refused to entertain the request that we made. I made them personally to federal Ministers to cost-share an employment co-operative program between the province and the federal Government, or between Manitoba and the federal Government. It had nothing to do with any other province. It was the Conservative federal Government that said no.

They have some real concerns about what the Conservative Government did with respect to co-op housing over the last five years, the way they have cut back that program; the way they have emaciated that program; the way they have reduced the benefits to co-ops; the way they have had such a negative impact on the momentum that had been created with respect to develop co-op housing.

It was the Conservative Government that did that. That does not mean —(interjection)—

**The Acting Chairman (Mr. Gaudry):** Order, please.

**Mr. Cowan:** —that the co-op movement is the domain of the NDP, or the Liberals or the Conservatives. That is a fact. It is the Conservative Government that cut back that program. It was a Conservative Government today that refuses to establish today a Department of Co-operative Development, even although they have been requested to establish a Department of Co-

operative Development by the co-operative sector itself since its task force report of several years ago, and maybe the Minister should acquaint himself with that task force report. I am certain it is in the files, and it outlines some priorities that the co-op sector itself thought was very important.

One of those priorities was employment co-ops. It was his colleagues, his kissing cousins, his friends, the Ministers to which he looks up to in Ottawa, who refused to do anything with that program. They asked for the establishment of a Department of Co-operative Development. It was his friends, his kissing cousins, his colleagues, his Conservative Ministers to whom he looks to in Ottawa that refused to establish that department even though it had been requested by them and supported by the New Democratic Party Government of Manitoba.

It is his friends, Conservative kissing cousins, colleagues of his, Ministers to whom he looks up to in Ottawa who are disbanding piece-by-piece incrementally the housing co-op programs, which is resulting in less co-operative housing for the provinces and for individuals wanting to create that housing.

As a matter of fact, if you want to bring things into perspective even more so provincially, under the previous Conservative administration before the first New Democratic Party administration, the Department of—well, there was no Department of Co-operative Development. It was a part of the Department of Agriculture, that is all it was. It was a branch, and it was not even a division.

**The Acting Chairman (Mr. Gaudry):** Order, please.

**Mr. Cowan:** It was a branch, and it was a New Democratic Party Government that actually brought it into being a full-fledged department. It is not the domain of the New Democratic Party, the co-operative sector. The Members are indeed probably more apolitical than anything else.

They are probably more apolitical than they are Conservative, although there are strong Conservatives in the co-op sector; they are probably more apolitical than they are Liberal, although there are strong Liberals in the co-operative sector; and they are probably more apolitical than they are New Democratic Party, although there are good New Democrats in the co-operative sector; and there are good Conservative and good New Dems and good Liberals in the leadership role in the co-operative sector.

It is not the domain of any one particular party, but the co-operative sector does benefit more or historically has benefitted more under one type of Government, both federally and provincially than it has under other types of Governments.

Their request for a separate department, they have it in Manitoba; they do not have it in Saskatchewan. The Conservative administration there did the same thing that the Conservative administration here, under the Attorney General, did with respect to the Department of Co-operative Department, and I can read into the record—it would be a matter of a few minutes

of finding the letters from the co-operative movement in Saskatchewan that was very critical of that move and supported the type of concept that the Manitoba New Democratic Party Government had put in place with respect to a single department, with its own functions, separate from all the other departments.

**An Honourable Member:** Oh, oh!

**Mr. Cowan:** I do not know what my Leader said with respect to the Minister's abilities or the Minister's responsibilities, but I can tell you that my Leader was a Member of a Government that made a very conscious decision to separate and keep separate the Department of Co-operative Development because we felt that it was a priority department that required that sort of focus and that sort of overall prioritization within Government activities.

So it was a New Democratic Government that in fact established the department. It was not a Conservative Government, it was not a Liberal Government in the Province of Manitoba, although they had an opportunity, and I can tell the Minister right now, if there were a New Democratic Party Government in Ottawa, there would be a Department of Co-operative Development. We have had Liberal Governments -(interjection)-

**The Acting Chairman (Mr. Gaudry):** Order, please.

**Mr. Cowan:** —and there have been Conservative Governments, and there is no Department of Co-operative Development. I agree with the Minister when he says there is very little difference between the Liberals and the Conservatives with respect to the co-operative movement and the co-operative sector.

Well, now there is a bit of a battle going on between the Minister of Finance (Mr. Manness) and the Minister of Co-op Development (Mr. Connery) because the Minister of Finance is saying, nonsense, to that particular suggestion, but the fact is that there is a department here. There was a stand-alone department. It was disbanded by a Conservative Government. It was established by a New Democratic Party Government in Saskatchewan. It was disbanded by a Conservative Government. It was established by a New Democratic Party Government in Manitoba. It was disbanded by a Conservative Government, and the fact is that there are fewer co-ops in existence today than there were when this Government took office. There are fewer co-ops in existence today than there were when this Minister took over the portfolio.

\* (1650)

If one wants to go back to 1977 to 1981 to look at what happened under another Conservative administration and I think that is the way to accurately judge these things, is to follow the trend lines, one will see that leading up to 1977 there were probably on average 13 to 15 co-ops that were incorporated in each year, and it was growing at approximately that rate. There were years when it was more. There were years when it was less, but that was a general trend line.

The Lyon administration came into power and that continued on for that first year or first portion of a

year. Then it dropped off significantly and I am going from memory so I could be wrong, but I think the second year the Lyon administration it was down to five new incorporations and the staff was almost halved, if not more than halved in the Department of Co-operative Development. They totally decimated the Department of Co-operative Development; they eliminated its planning area; they eliminated its research area; they eliminated developmental staff in the field.

They dropped down, if not to half, almost to half of what they were previously, and that was a very conscious decision on the part of the Conservative administration that showed their true feelings towards the role of the Government in being pro-active in helping to develop co-ops in this province. That number of staff had been built up over a large number of years, and the Minister of Finance (Mr. Manness) sort of waves his hand off as if to wave off the past.

Those are the facts—black and white. Numbers do not lie, as much as the Minister of Finance may wish to manipulate them, to distort history or the Minister of Co-operative Development (Mr. Connery) may wish to manipulate or distort history. They are numbers and the number of incorporations dropped off to the next year to one, one new co-op incorporated in an entire year in the Province of Manitoba under a Conservative administration. Does that suggest to you that they were being pro-active and encouraging development after they had come off a trend line of about 13 or 14 or 15 per year? Does that suggest to you that they wanted to see more co-ops in this province? Because if they did want to see more co-ops in this province and if they were being pro-active, then they were being incompetent, because if their goal was to develop the co-operative movement more through the development of co-ops and the numbers fell off to the extent that they did, they were totally incompetent in reaching their goal. They failed to do what they said they wanted to do.

I believe it is somewhat different, Mr. Acting Chairperson. I believe that they did not want to do it in the first instance. That is a personal belief and I may be wrong and I may be right, but I cannot see how even the Lyon administration could be so incompetent as to only be able to incorporate very small single-digit numbers of co-ops during a number of years of their tenure when they suggested that what they wanted to do was exactly the opposite.

If one goes back even a bit further into history, one will find that the Conservative Members when in Opposition during the Schreyer Government were very critical of what the Schreyer Government was doing with respect to co-ops. As a matter of fact, there were great debates in this House that revolved around the fact that the Conservative Government felt that the Schreyer Government was being much too pro-active and much too aggressive in the development of co-ops in the province, and that again is a historical fact. There were matters of privileges and there were emergency debates and there were Question Periods filled entirely with questions about the efforts of the Schreyer Government to develop co-ops. The fact is that the Conservatives were consistently critical, as were they during our tenure.

The Conservatives were critical of the employment co-op program when it first came out. The Conservatives were critical of the gas bar co-op. They called it the Titanic when it first came out, and now they are saying what a great program it is. Well, I do not think there was any miraculous conversion on their part. I think they are just mouthing those sentiments. The Minister himself may believe them. I believe that he does believe that what he is saying is correct, but I think he is surrounded by many of the same people that were part of that Lyon administration that saw the demise of so many co-ops and the destruction of any momentum in developing the co-operative movement in Manitoba under their tenure.

No, it is not the domain of any particular Party and the members of co-ops do not necessarily belong to any one particular Party, but the fact is, when a particular political Party is in power in this province certain things happen within the co-operative sector, because when we came back into power in '81 after that extreme downturn in a number of incorporations we went back up to about 13, 15 for a number of years.

I think, the Minister can correct me if I am wrong, the last year of our tenure we were at 49 new co-ops incorporated in that year. It might be plus or minus one or two and I understand that they are now down to 40, and we are starting to see exactly that sort of trend line that we saw under the previous administration where you come in at a trend line of a certain number, and you start to drop off.

That may be because the economy is dropping off a bit under the Conservative Government as it dropped off under the Lyon administration, because co-ops, like - (interjection)-

**The Acting Chairman (Mr. Gaudry):** Order, please; order, please.

**Mr. Cowan:** My Leader says across the floor that the Minister of Finance never used to throw those cheap shots across the floor, and the Minister of Finance says, yes, he is right, it is a tough week, I think with Repap, with Lynn Gold, with the latest statistics that are coming out, with the housing market falling down around his ears, with the fact that his Government is unable to encourage the type of economic growth that is required in this province, the fact that we are losing jobs, we are losing individuals, the fact that just like under the Lyon administration we are starting to see Manitobans once again vote with their feet by walking away from the province, not because they want to, but because they have to, to find jobs.

I talked to residents of Lynn Lake, friends in Lynn Lake and they tell me they are going to Ontario. They tell me they are going west, they tell me they are going anywhere but Manitoba because of the lack of opportunity in this province.

The Minister of Highways (Mr. Albert Driedger) seems to think that is not true. I only ask him to call anyone in Lynn Lake to find out what is happening in that community and he will find out that individuals are in fact voicing their discontent of his Government in the

way in which they handle that specific issue, as well as the way in which they are handling the economy, generally with their feet. They are walking away. They are being forced away. It is not a leisure walk, it is not a walk of pleasure, it is a forced march out of this province because of the sort of economic conditions that his Government either creates or stands idly by and watches as they are being created by their federal kissing cousins in Ottawa.

When VIA Rail lays off people in Manitoba, who is the last person to know? The Minister of Highways. Why is the Minister of Highways the last person to know? It is obviously because he does not care enough to go out and find out what is going to happen before it happens or his counterparts, his friends, his colleagues, the people to whom he looks up to in Ottawa do not care enough about him and our province to advise him as to what is happening, because how many times has he stood in this Chamber, flat-footed and taken another body blow from Charlie Mayer and taken another blow from Benoit Bouchard?

How many times has he come in here?—the last time he came in here and he said that there were going to be two more ships for Churchill. He had it in the pocket. He knew it was going to happen, two more ships for Churchill and I kept asking him privately, when are we going to see these two more ships? He says, we are going to see these two more ships pretty soon. I said, do you realize that they have shut down the port up north? Do you realize that they have laid off the employees, do you realize it?—and he said, oh, no, I did not realize it, really. You mean, even if we could get the ships to come, we could not get the ships to come because the employees are not in place? He did not realize that?

**The Acting Chairman (Mr. Gaudry):** Order, please.

**Mr. Cowan:** He did not know that it was impossible to have two more ships come up without very, very extensive cost. He did not know because either he did not care to know—I knew because I made a phone call, it was not hard to do. I phoned up someone, I said what is the situation at the port, I am told that there are going to be two more ships and they told me that, quite frankly, that was impossible. I went to the Minister, I said to the Minister there is going to be a difficulty if any more ships are scheduled. He says, no, Jay, I know there are going to be two more ships. My staff told me today—

**The Acting Chairman (Mr. Gaudry):** Order, please; order, please. I hate to bring this about, but we are discussing Salaries.

**Mr. Cowan:** These ships could be travelling to food market co-ops in Poland or in other areas, and the Minister of Highways and Transportation (Mr. Albert Driedger) does not care enough for those co-ops on the other end to find out if in fact the ships could actually come to the community if they were available. That is the type of laissez-faire, do not care, let it happen, attitude that has seen the two worst seasons in the history of the Port of Churchill, and they have

a tremendous impact on Arctic Co-ops in the area. It has seen the destruction and the dismantling of an entire community in Lynn Lake. It has seen the destruction and dismantling of so many jobs across the province. It has seen a drop-off in the number of co-ops under this Minister's tenure. Notwithstanding all the rhetoric, these are the facts. This is—

\* (1700)

**The Acting Chairman (Mr. Gaudry):** Order, please; order, please. The hour being five o'clock, time for Private Members' Hour.

Committee rise and call in the Speaker.

## IN SESSION

### PRIVATE MEMBERS' BUSINESS

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

### COMMITTEE REPORT

**Mr. Neil Gaudry (Acting Chairman of Committees):** Mr. Speaker, M. le Président, the Committee of Supply has adopted a certain resolution, directs me to report the same and asks leave to sit again.

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

**MOTION presented and carried.**

### DEBATE ON SECOND READINGS PUBLIC BILLS

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

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

Is there leave that this matter remain standing? (Agreed)

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

**Mr. Speaker:** On the proposed motion of the Honourable Member for Assiniboia (Mr. Mandrake), Bill No. 4, The Highway Traffic Amendment Act (2); Loi No. 2 modifiant le Code de la route, standing in the name of the Honourable Minister of Health (Mr. Orchard) and the Honourable Member for The Pas (Mr. Harapiak), who has seven minutes remaining. The Honourable Member for The Pas.

**Mr. Harry Harapiak (The Pas):** Mr. Speaker, I was under the impression that I had concluded my remarks

the last time I had been here, but I guess I could once again stand and speak on this Bill that the Member for Assiniboia had brought in, the Mark IV Bill. I think that is the reason that the Member for Assiniboia (Mr. Mandrake) rushed in here to get The Highway Traffic Amendment Act brought in so that it would coincide with his car, a Mark IV.

Mr. Speaker, there are several Members who got up and spoke on this Bill and have indicated how anti-rural the Bill really is. I raised it on a previous occasion that not only is it anti-rural, I think it is anti-northern as well. I spoke about some of the roads that we are faced with driving over in northern Manitoba.

I know that on occasion I had the opportunity to travel from Thompson to Lynn Lake, and I know that road is one that deserves to be upgraded, not only upgraded from what it is right now, but it deserves to be paved because I know that there is a great potential for tourism in that area. I know that the tourists would be very disappointed if they had to stop and clean off their licence plates, because according to the amendment that is put forward by the Member for Assiniboia, once they got some of the dust on their licence plates then they would have to stop their trip and clean off the plates and then carry on. I know that with the conditions of those roads they would be stopping quite often. I also spoke of some of the other roads in that area.

One very interesting development that has been taking place in northern Manitoba is there are people in Lynn Lake, Flin Flon and Cranberry Portage pushing a circle route. I know that there was a lot of excitement in northern Manitoba when they felt that this would enhance tourism to a very great degree. They were really anxious to have that road built to connect Flin Flon to Lynn Lake, or else via Cranberry Portage to Sherridon to Lynn Lake, and I think there is some potential there for economic development.

The forest industry is very rich in that area, especially in the area around Pukatawagan. Right now there is no (interjection) the Member wants to know where Pukatawagan is. By rail it is 99 miles from Cranberry Portage. I have travelled the road many times and that is a very scenic route. I think that the Members should sometime take an opportunity to travel up there.

They have no difficulty with this Bill because there are no cars up there. There are no roads to that community. On two different occasions we built a winter road into the community of Pukatawagan, and I know it reduced the cost of food articles into that community by a great degree.

It was a lot of excitement. The people of Pukatawagan came out and they were very happy to have an opportunity to drive out like anybody else would have. I know the railroad suffered during that period, because normally the people would travel out by rail. It was great that they had the opportunity to travel by car even if it was for a short period of time.

\* (1710)

I know that study has been completed now, Mr. Speaker, and I do not think that this Government will

be proceeding with building that road through Pukatawagan to Lynn Lake.

I know the Minister of Highways (Mr. Albert Driedger) is anxious to get out and deliver a lot of his roads to northern Manitoba because he has a lot of those seats targeted. He figures that if he can come up with some good highway programs he will win some of those northern seats. I would hope that he would have a look at the circle route that is going to be proposed to be built through the communities of Sherridon and Pukatawagan to Lynn Lake.

I know the Minister has travelled extensively through northern Manitoba looking for projects he can support, and I know that he will be giving this project serious consideration. I think it will be a long time before they can justify that type of expenditure, and I know it would cost probably in the vicinity of \$180 million to build that road across there. I am not going to hold my breath waiting for that road to be built because there are other priorities.

One of the priorities that I think the Minister should consider is paving the road to Moose Lake. Moose Lake is an area where a lot of timber comes out for Repap, and I think that some of that \$80 million they promised to Repap should be spent in that area. There is a narrow road now in towards Moose Lake. It was built under—(interjection)— That is right, it is up in my constituency. I have travelled it often so I know the conditions.

I know the licence plates get very dirty when they travel on that road. People said if this Bill was passed we would have to stop pretty often.

The Minister of Northern Affairs (Mr. Downey), who goes to the community of Moose Lake on many occasions, says he is coming up with a project there to satisfy the people of Moose Lake. I am looking forward to the proposal that he is coming forward with to deal with the Grand Rapids Forebay, because I think those people were not treated in a fair manner. I hope the Minister of Northern Affairs will come up with some project that will satisfy those people, and we look forward to the Minister of Highways paving that road so it will not be necessary for us to stop and clean off our licence plate whenever this Bill of the Member for Assiniboia gets passed.

I thank you, Mr. Speaker, for giving me the opportunity to put my comments on the record, and I would hope the Member for Assiniboia would withdraw this Bill, because I do not think it is necessary.

**Mr. Speaker:** Is there leave that this matter remain standing in the name of the Honourable Minister of Health (Mr. Orchard)? (Agreed) The Honourable Minister of Labour.

**Hon. Gerrie Hammond (Minister of Labour):** Mr. Speaker, I rise today just to put a few words on the record on this particular Bill, The Highway Traffic Amendment Act that the Member for Assiniboia (Mr. Mandrake) introduced into this House.— (interjection)— Are you sure you do not want to talk on this Bill? — (interjection)—

**Mr. Speaker:** Order, please. The Honourable Minister of Labour has the floor.

**Mrs. Hammond:** I have in front of me the Member for Assiniboia's remarks on the Bill. I understand it is important very often for Members to bring in Bills on things they are interested in and things that will add some measure of relief to the citizens of our province that will be a bit meaningful, but when I compare the amendment that the Member for Assiniboia brought in there is very little difference.

It was mentioned by other Members who have spoken that he added letters, validation stickers and "are" instead of "may." It is not a very substantial Bill, and I guess the reason I wanted to just put a few words on the record is, although I can understand new Members may want to be on the record as having done something for their constituents, I do not see very much in this particular Bill that adds to anything in particular in this House.

I understand the Member wants to have the words "Friendly Manitoba" shown at all times, but I think, rather than the words being shown, it is the actions of Manitobans that make us friendly. So it is not necessary that they have to be shown at all times.

I understand the Member—and I do not want to really downgrade what he is doing, but at the same time I am sorry I did not get the costs on what it takes to introduce a Bill and present it in this Legislature, because there is the time of Legislative Counsel; there is the time of the Member himself is presenting this Bill; there is the time of the Legislature; there is the time of the Clerk and the Speaker in all of this. When I see the kind of legislation that is on the Order Paper, right now, that we are not moving into committee and I really wonder why the Member would bring a Bill such as this into the Legislature.

I understand his motives, and I think they are very fine. I just question, as a caucus, that the Liberals, when they would look—this legislation, this Bill, this amendment they would look at I would wonder that it would pass his caucus, that they would allow a Bill that has really so little meaning and adds so little to this piece of legislation, that I question the motives of the Liberals in this particular area.

On the Order Paper we have the Fiscal Stabilization Fund, that this is going to put money in the pockets of Manitobans, this is going to help people that are poorer citizens, this is going to help women and children who are in the poorer areas of our community by giving them a better tax break. Yet, we cannot get any movement on this Bill at all into committee.

They are talking about it, and the Liberals are not going to support this piece of legislation. Yet, they will allow one of their Members to bring in something that—I see that the dollar figure is about \$340 to bring in a Bill. That is not an enormous amount when you consider the amount of money that is spent in this Legislature. If this was put in the pocket of one Manitoban I think that would be a much bigger help.

So I think I would like to see—because I know the Member for Assiniboia (Mr. Mandrake) does a lot of

work and is very sincere when he brings something like this in—but I think, as a new Member, his caucus owed it to him to say, this kind of Bill is not particularly helpful, there are not many changes to be made here.

Another Bill that—and I am just glancing at the Order Paper—The Residential Tenancies Act is another important piece of legislation that we would like to see dealt with. I move over to The Consumer Protection Amendment Act. This is another piece of legislation that will help the consumer in this province.

\* (1720)

The Social Allowances Amendment Act that the Minister of Family Services (Mrs. Oleson) brought forward, this is another area we would like to see dealt with. I think, even though it came in at a later stage, the Members knew what this was all about. It was announced in the Women's Initiative, it was announced by the Minister that the Government would be doing this, and it is essential that this piece of legislation is passed so that on January 1, women who are recently separated are able to access provincial social assistance immediately.

So I think it is important that this type of legislation get passed. I wish that the Members on the opposite side, the Liberals especially, would pay as much attention to getting this type of legislation through.

We also have the Civil Service Superannuation Amendment Act, which again is a very straightforward piece of legislation that will help the people that are retirees and people that will retire to get some sort of compensation.

So I say to the Members opposite, and the Member for Assiniboia (Mr. Mandrake), while I appreciate the fact that he felt very strongly about this, I think that, in consultation with his caucus, possibly this is a piece of legislation that should be withdrawn, because I think everyone has had an opportunity to talk about it.

We have called it the "dirty licence plate" Bill and made light of it in some way. Yet, it is serious that a Member of our Legislature would think that by changing a couple of words in this particular Bill it would make any difference at all. It does not, because the legislation that is in place right now is certainly perfectly adequate to cover any of the objections he might have had on this particular piece of legislation.

I understand that the Member talked about he is a proud Manitoban and he is a proud Canadian. Well, we are all proud Manitobans and we are all proud Canadians, but I do not think that gives us licence to introduce legislation that is going to do very little to help the people in Manitoba. To add something to a piece of legislation that has letters, validation sticker, an "are" and a comma is enough, certainly, to have people even discussing it in the House. To make the case that we would change the legislation because of this does not seem like a worthwhile objective for this particular Legislature.

I would hope the Members across the way would be as diligent in trying to get into committee so we could deal with some of the pieces of legislation that are on the books. I have already mentioned some of those.

The Member for Sturgeon Creek (Mrs. Yeo) was asking so many questions about teachers. What is happening there as far as The Public Schools Amendment Act going into committee? Nothing. I mean, if you want to get something done then, surely, we want to move some of these Bills into committee so that then the very things that she is concerned with can be taken care of.

That is what happens when you bring in Government legislation, there is some movement. It also gives the Opposition a chance to amend if they wish, to have people from the outside come in, let someone else have a chance to speak on these particular Bills, but to ask Members of our community of Manitoba to come in and speak on this piece of legislation, to suggest that someone is going to come in and talk about this, I cannot imagine this happening. I think that—

**An Honourable Member:** So why are you speaking?

**Mrs. Hammond:** Because I think it is time that someone brought up this very fact. Bills that do not really mean a lot and do not do a lot for people in Manitoba should not really be brought up.

I understand his reasoning. I understand how he feels about it and how he would like to be doing something, but I think it was important for the Members of his own caucus to have discussed this very thoroughly and said, is this really an important Bill that we want to be spending time talking about in the Manitoba Legislature? I do not think it is.

When I look at the Members across I cannot feel in my heart that this was really an important piece of legislation that they wanted to bring forward. I think it makes light of some of the things that they are earnestly trying to do. I feel they are trying to help in many ways.

Mr. Speaker, on this particular Bill I would urge that the Member for Assiniboia (Mr. Mandrake) withdraw this Bill. I would urge the Members of his caucus, who are in this House, they suggest that he do so, because I think it really is—I do not like to say a waste of time—but I think we could be dealing with other issues. For this to be sitting on the Order Paper continually with the very small changes he is suggesting, that make really little or no difference to this particular legislation, I think is a shame. While I appreciate the Member for Assiniboia's concern, I ask that he withdraw this.

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

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

**Mr. Speaker:** On the proposed motion of the Honourable Member for Springfield (Mr. Roch), Bill No. 10, The Beverage Container Act; *Loi sur les contenants de boissons*, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand? Is there leave that this matter remain standing? (Agreed) The Honourable Member for Radisson.

**Mr. Allan Patterson (Radisson):** Mr. Speaker, it gives me pleasure to speak on this Bill, I think a very needed and important one that has been put forth by our Member for Springfield.

In the past 20 to 30 years of unprecedented prosperity, almost 40 years you might say, we have not realized that our resources, and as a matter of fact this planet that we are on, is finite.

We have done, as a society—and our neighbours to the south as well, and possibly in other western developed countries—quite a good job over the past several decades in exploiting and to a large extent wasting the resources that we have, and that at one time looked so plentiful.

One can understand the European exploiters, thieves, colonizers, or whatever we want to call our ancestors, when they came to this continent and seeing the vast resources they must at that time, Mr. Speaker, have seemed to be virtually limitless.

In the post-war period we have seen tremendous increase in population. I am talking just in particular about our own continent and leaving others out of it. In my lifetime, for instance, the population of Canada has tripled. Since the war—by that I mean World War II—it has substantially more than doubled from something in the order of between 10 and 11 million to now between 25 and 26 million, and more or less correspondingly in the republic to the south.

With this increase in population and also the increasing use of many of our resources, such as our oil resources and the manufacture of various types of plastics—and here we are concerned with the use of plastics in beverage container use, and the use of aluminum for beverage container use—we have seen this tremendous increase in these particular resources and for these particular uses.

As well, I think, it has been my observation—I do not like to sound like an old fogey or dinosaur here—but again in these past several decades of this unprecedented prosperity you have a generation or two that have been brought up to feel it is their God-given right to have someone pick up after them when they litter, stomp out their cigarette butts on the street, or on the marble floors of this building and various other public buildings. I would assume they do not do it in their own homes. We see the teenagers, and others too, getting onto the public transportation system, the buses, with their soft drink cans, and they finish them off and just throw them on the floor of the bus.

\* (1730)

One can scarcely go anywhere, out in the country or even to what we like to think of as some of our remaining bits of wilderness we have, the Whiteshell, for example, or any of our beaches or any remote areas, but remote as they might seem, and as close to nature as they might seem, invariably if one goes there sooner or later one runs across a soft drink can, or a beer can, or the beer bottle top. This is just unnecessary and absolutely—what is the word—not quite evil, but a waste of resources, and it is spoiling our environment.

Therefore, this Bill is a move in a very, very positive direction, both in the cleaning up of the environment, in that with the return of various types of beverage containers they will not be littering the streets, the public transportation systems, the outdoors, and so on, and also it will be a husbanding of our resources through the recycling process. There will not be the demand to continue to exploit, at the same rate, the raw resources that we still have left and which, as I said before, are finite.

Again, I might add too that the processing of these raw resources adds to the general pollution, you know, in the manufacturing of them, acid rain, and so on.

Mr. Speaker, this Bill is a very positive step, in that it gives some relatively small incentive for individuals to conserve and to return these various types of containers.

This is very well and good, and I applaud it. The Bill—I do not have it in front of me—but if I recall, it says the deposit required which will be paid on the return will be 10 cents or whatever else is prescribed by regulation, a minimum of 10 cents, and it might be more. I would suggest very strongly, Mr. Speaker, and this is my own personal opinion, I am not necessarily expressing the official position of my Party on this, but in a rather relatively long life I have found that the most sensitive part of the human anatomy, the one that really gets their attention when it really gets hit, is not what immediately springs to mind, but rather the pocketbook. The human being sits up and pays great attention when he or she is hit real, real hard in the pocketbook.

Mr. Speaker, at any rate I would suggest that this 10-cent deposit could be considered as far too low. If we want to make sure that it is worthwhile for individuals either to return the deposit and get it back themselves, or if some individuals still throw these things away, then at least some kids or skid row characters will pick them up for a bit of income. Let us make it worthwhile.

Now I recall, Mr. Speaker, more decades ago than I care to remember, back when I was an apprentice beer drinker in Ontario, a case of 24 beers was \$3.75 and 75 cents back on the empties, a little over three cents a bottle. Now back in those days, some close to five decades ago, the three cents a bottle was significant, and bottles were not thrown away carelessly by the purchaser. They were returned.

I just might say, Mr. Speaker, if we just look at the general increase in the cost of living since then, if we use the year 1941 as the base of 100, the CPI in 1988 had climbed to 843, an increase of some close to 750 percent. If we go to 1951 as the base of 100, in 1988 it was almost 520. We have had these tremendous increases in the Consumer Price Index, and along with that our incomes have kept pace, so that the three cents a bottle deposit back some 40-or-more years ago represented something significant in relation to people's incomes, whereas a 10-cent deposit now, which is only a little over three times what it was then, is really insignificant in the face of over an eightfold increase in general incomes.

Therefore, I would strongly suggest, Mr. Speaker, I speak in support of this Bill, and politically one might

find a great hue and cry if this minimum deposit were raised beyond 10 cents. Personally speaking, I would be very much in favour and see nothing wrong with having a deposit of, let us say, 25 cents a bottle on beer bottles and beer cans and other types of beverage containers. It would not cause any great hardship for anyone, might have a few dollars tied up in inventory of empties until one could return them, but it would assure the actual return of the used container, thereby, as I have said before, helping to clean up in some small way the environment and also conserving our resources.

How much time do I have left, Mr. Speaker?

**Mr. Speaker:** About five minutes—four minutes.

**Mr. Patterson:** At any rate, Mr. Speaker, I would for these skid row people—(interjection)—the disadvantaged in society.

Outside of the positive things I said about this Bill, I would hypothesize, I would even assert that there can be no logical reason for speaking against this Bill. The Bill fits right in with the general thrust of society today in recognizing our finite resources. A fact that as a society we have almost recklessly and unnecessarily exploited and spoiled many of these resources. This Bill will in some positive, albeit maybe small measure, address some of these serious problems of our society.

**Mr. John Angus (St. Norbert):** I rise to make some remarks on this particular Bill in the obscure hope that some of the Government Members may be paying attention and may listen. As futile as the effort may be, I would like an opportunity to try and bring to their attention the reasonableness of this particular piece of proposed legislation.

Let us start with the problem. The problem is a littered landscape, littered by the disposal of containers, beverage containers, wine bottles, and whiskey bottles, and now we are moving into coolers, wine coolers, and things of that nature, very convenient beverages.

The problem is there. It is real. It is very easily identifiable. The solution perhaps, as it may not be as palatable but is none the less equally obvious, you need look no further than beer bottles. Beer bottles have established a rebate program—put your money on the table, put a deposit on the table, and then get the deposit back when you bring the beer bottles back. The 95 percent return law of averages indicates that it is working, and it is not costing the consumer a penny. He has an opportunity to get back the money that he has put on the table.

Mr. Speaker, exactly the same concept can work. It can work for wine bottles, it can work for whiskey bottles, it can work for coolers that are available and readily available. We saw in the throne speech and we saw subsequent indications and press releases from this Conservative Government that they were going to put on a specific tax to be applied back to the environment. What they neglected to tell us at that particular time was that this money was going to be coming out of general revenues from the Liquor Control Board. That money was then going to be directed into the global budget of environmental control.

\* (1740)

On one hand they are suggesting that they are going to introduce this really good policy to try and clean up and recycle and address the problem. For that we applaud, but the facts are that they mismanaged the concept. They fumbled the ball in implementing the program and they have not made it work. It has not come to a position where it is going to work.

I have organized for Boy Scouts and for hockey teams fundraising drives. Parents will drive their cars down the middle of a street and the kids will go door to door picking up the bottles, the coke bottles and the beer bottles that can be returned. It becomes a fundraising activity.

I cannot tell you the number of times that I have been driving down the highway and have seen people in the ditches picking up the beer bottles. Whether it is a group of people on a clean-up committee or just a family out trying to help unclutter the landscape, they do generate some revenue.

It is a logical program that has a possibility of working. It will not work unless we get a collective and co-operative effort from the Members of this House to try and specifically address this problem with common sense and logic. A logical program, that will have the effects and terms of cleaning up the environment and recycling these products. It is good legislation and it should be seriously considered by all Members of this House at the very, very least to give any credibility to the concept, it should go to the committee stages and I would urge its speedy passage. Thank you.

**Hon. James McCrae (Minister of Justice and Attorney General):** I am pleased to join in the debate today on the Bill before us, Bill No. 10, standing in the name of the Honourable Member for Springfield (Mr. Roch).

I really had not planned to get involved in the debate, but some of the things said in the debate by the Honourable Member for Radisson (Mr. Patterson) bring me to my feet today.

I think that he has helped raise the consciousness, in his comments, of Manitobans. He has made his contribution in terms of consciousness raising in regard to environmental matters, in regard to matters related to the beverage containers, recycling and keeping our streets and neighbourhoods and communities clean and tidy. I support him in all of those comments.

He spoke about our planet being a finite planet, many of the resources on the planet being finite, indeed almost everything I know of is finite. There are a few items out there that last forever including mankind, including myself. I would join with the Honourable Member for Radisson (Mr. Patterson) in the hope that the contribution that he and I and others can make in this place and in other public places, in terms of bringing to the attention of the public, issues of importance like this. To the extent that we can do that, the better we will be able to judge ourselves, and the better we can feel about ourselves.

I think it is important that we keep in mind what the Honourable Member said about our planet being finite



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and about conservation measures. He spoke of an increase in population. We know that is happening in the world, although in recent days we have been hearing questions and reading articles about perhaps other trends in Manitoba. The Premier (Mr. Filmon) has done a good job to bring certain matters to the attention of Honourable Members who raise that as some kind of political issue. The Premier has done a good job in putting that particular issue into the context of the 1980s and certainly this particular year.

I do appreciate the comments of the Honourable Member for Radisson. I must admit that when the Honourable Member for St. Norbert (Mr. Angus) spoke, I was engaged in a very, very serious conversation with the Minister of Rural Development (Mr. Penner) who has many, many important things to do in his department and has been doing those things. He has been making plans for the future of our province along with the other Members of our Government and of our caucus.

I know the Province of Manitoba will have been left a richer place for having had the Honourable Member for Rhineland (Mr. Penner) as its Minister of Rural Development. I think for the first time in a long time those parts of Manitoba which lie outside the Perimeter Highway are getting the kind of attention that they should have received some years ago but did not.

That is very unfortunate they did not, because now we have even more work to do to catch up, in terms of rebuilding and in terms of positive development in those parts of Manitoba which lie outside the Perimeter Highway. Those parts of Manitoba are extremely important in the context of the future development of our total province.

I want to remind Honourable Members, all Honourable Members, but particularly Members of the Liberal Party that whether you live in Winnipeg or you live in Lynn Lake or Thompson or Melita or Sprague or Churchill or Swan River or any community or whether you live on a farm in this province, you are a Manitoban. You have the right to enjoy, deserve to enjoy, all of the amenities and all of the quality of life that the people living in the City of Winnipeg enjoy.

I do not say this as one with any more of a special interest than anyone else in this province. My home and my family reside in the City of Brandon. The people of Brandon have for a long time felt that there are things Governments could be doing that could help Brandon in its future development. I recognize that and that is one of the reasons I got involved in politics.

I do not take an unduly parochial view. I know that I raise issues like this very often in the House and Members—like the Member for Ellice (Ms. Gray) for instance, who has shown the way she feels about rural Manitoba. She may tend to think that I take a parochial view but it is not true. Five days of the week, Mr. Speaker, I spend in the City of Winnipeg. Five years of my life, I have lived in a community not far from the Honourable Member for Radisson (Mr. Patterson), in Southdale, in this particular city. Three of my children were born in the Women's Pavilion here at the City of Winnipeg. I know a fair amount about the City of

Winnipeg too and understand the role and the part that Winnipeggers play in the development of our province.

I guess the point I am trying to make is that no matter where you live in Manitoba, you are a Manitoban and deserve to have equal consideration from your Government. Whether you live in Churchill or Somerset or wherever it happens to be in the province, you are a Manitoban.

The Honourable Member for Assiniboia (Mr. Mandrake) reminds us how proud he is of being a Manitoban. I am proud to be a Manitoban too, and I am sure every single Member in this House feels the same way. Otherwise we would not be here. That is what I believe. Maybe I am naive, but I do not think so. I think we are all here because we believe that if you are a Manitoban you are a very special person.

\* (1750)

In regard to Bill No. 10, The Beverage Container Act, I got a little off track, because what some of the things the Honourable Member for Radisson had to say caught my attention. Is it not interesting, I happen to know that in recent times public opinion polls have shown that matters relating to the environment, maybe not all polls reflect this, do not always produce the highest numbers when it comes to concerns on the part of the population.

People are concerned about bread and butter issues still. In some polls that I know of the matters related to the environment have come surprisingly low.

**An Honourable Member:** Will you table them?

**Mr. McCrae:** The Honourable Member for Concordia (Mr. Doer) says, will I table them? The point is I am not arguing that all polls show what I am saying.

The point that I am trying to make by saying that is that I think that there is leadership shown on all sides of this House and at all levels of Government. Whether the polls show it or not, the politicians of this country are taking more of an interest in environmental matters than they ever have before.

That is the point I was trying to get at. If some Honourable Members do not like to give a person a chance to get to the point that he is making, but in any event I got there, I would appreciate the opportunity to get there. I think that leadership is being shown now. I think it is going to continue to be shown, because as the Honourable Member for Radisson said, it is not only that our planet is finite, but it is also shrinking because of the global community and the fact that communications are so different and the fact that the world population is growing and we are producing so many more things and so many more things are left over after the production and usage cycle is over.

The things that the Honourable Member for Radisson (Mr. Patterson) spoke about are indeed important. It is not just this level, it is not just this Government. I know we are doing an excellent job in matters related to the environment, but there are other levels of

Government in this country and other individuals and organizations who show a genuine interest. No particular individual has a monopoly on this.

During recent elections in the City of Brandon, for example, I know that a number of the candidates made matters related to recycling a very important part of their election platforms. I give those candidates, those who won and those who lost, credit for doing that. The environment is not always the centre of everyone's mind. When that is not happening, politicians still need to be vigilant.

I think the Honourable Member for Concordia, the Honourable Leader of the New Democratic Party (Mr. Doer), refers to the campaign waged by a friend of mine in Brandon by the name of Ross Martin. He also happens to be president of the local Brandon and District Labour Council, and I suppose it may be through that connection or perhaps other connections that the Honourable Member for Concordia and that particular individual are acquainted. Perhaps they are close friends.

It is interesting. Ross and I shared space in the council chamber of the City of Brandon and we often had animated discussions about issues. I still think in his heart of hearts my friend Ross Martin would agree that my bona fides are right and I would tend to think that his are too. One thing about my friend Ross Martin, he is similar in character in many ways to the Honourable Member for Concordia, because he tends to sometimes take things out of context and run with them. This happens occasionally and my friend Ross Martin I think has been guilty of that, too.

Recently we elected a new mayor in the City of Brandon and the immediate response of my friend Ross Martin was, oh this was kind of terrible because this particular mayor has some kind of association with the Progressive Conservative Party. This was an awful thing. My friend Ross Martin has never been known to take the side of the Progressive Conservative Party on any issue that I can imagine, although I think he is pretty supportive of our Premier (Mr. Filmon) when it comes to matters relating to the Meech Lake Accord. That is nice.

I think that was about the first time that he and I have ever agreed on anything of substance and importance. I find it was passing strange that he would be so concerned that the present mayor of Brandon should have some past association with the Progressive Conservative Party, when we wonder if and when Mr. Martin has ever had any association with any political Party in this country. We will just leave it like that, because I think Mr. Martin knows that the people in Brandon really could see through the comments that he was making that day.

I was saying something about Bill No. 10, The Beverage Container Act. I thought that I should maybe conclude, but not before I am finished. It is sort of like saying—I really think that things are more like they are today than they have ever been before.

I think we have to maintain some level of credibility when we are talking about issues as important as this.

The credibility and the responsibility for that devolves upon all of us. That was another statement made by a great parliamentarian, but whether it makes a lot of sense or not has not much to do with the debate. I will tell you what does.

If we are going to talk about matters related to the environment, we have to show some level of credibility. I think that in matters related to the environment now and in the past year and a half and in the next many, many years in this province, the credibility of this Government will attach to environment statements that are made in this House and in other places by Honourable Members on this side of the House.

On that note, I would like to commend the Honourable Member for Radisson (Mr. Patterson) for the comments he made. There was one comment there that sort of caught my attention. It had to do with just how some of these bottles and materials ultimately get disposed. I wondered if it in any way was a reflection on the social policy of the Liberal Party when it was felt that putting a deposit on bottles would somehow help those who are less advantaged. I really would not want the centre-most campaign plank in my platform to be that my social policy is that I would put a deposit on bottles so people who are less well off can find the bottles lying in the ditch and somehow improve their lot in life.

Actually it is always a good idea. No one is complaining about deposits. Deposits have been used for years. They are used on beer bottles and there is an incredible recovery rate on that particular item.

I would not want to treat Bill No. 10, as the Liberal Party treats Bill No. 4, as such an important part of their policy for the future for Manitoba. That Bill relates to the licence plates as we have heard in the House, a fair amount, about that Bill. I think those things have to be discussed in that context, because we do have to wonder what the Liberal Party is all about. We do have trouble from day to day, and I mean it, from day to day we do not know where the Liberals stand on one item or another. We hear them stand in their places and say things like, well, I am only speaking for myself and I do not want to speak for the others in my Party. After awhile you get to wondering, just what do the Liberals stand for?

In any event, Mr. Speaker, I will close on that note and allow someone else to speak on this important Bill.

**Mr. Gary Doer (Leader of the Second Opposition):** Yes, I move, seconded by the Member for Transcona (Mr. Kozak), that—

**Mr. Speaker:** This matter by leave will remain standing in the name of Honourable Minister of Health (Mr. Orchard).

**Mr. Gary Doer (Leader of the Second Opposition):** It is indeed a pleasure to rise upon the presentation of the Bill, Bill 10, in the Chamber. The Member for St. Norbert (Mr. Angus) mentioned the situation with beer bottles and on terms of mandatory recycling. It is an excellent example of recycling and deposits

because in the beer distribution industry—and one which I am very aware of as a participant in that great agricultural product that is produced in our province—we note that in recycling of bottles and with deposit systems on beer that the return rate is well over 95 percent, 96 percent.

In another industry in the same product with cans for beer with a mixed bag of deposit and non-deposit, the American beer cans formerly—and I have not checked it in the last while whether they still have a deposit, I do not believe they have—required no deposit, and because of the confusion on the part of the public we have a recyclable rate of about 53 percent to 54 percent if I am not mistaken. Certainly, financial incentives, predictability in recycling with beverage containers and other containers of the same sort are very, very helpful for purposes of a workable recycling policy.

We are only of course speaking on the principles of this Bill at this reading. The principles of the Bill I think require Government intervention in the area totally of the environment including beverage containers. I know that is antithetical to the Member for Brandon West (Mr. McCrae) and some other Members in this Chamber of intervention in the marketplace, but I think the real strength of our environment is going to be dealing with the weakness of lack of intervention on the public's part through the Government and Government intervention into the marketplace to protect our environment. Having said that, Mr. Speaker, I believe it is six o'clock. No, not quite six o'clock.

I am not used to giving a speech without the Member for Arthur (Mr. Downey) because he is always—I miss his interventions, it really livens up debate. I like the British parliamentary tradition of orderly and

appropriate interventions because I think it allows for us to see the differences in political philosophy and that is of course the essence of debate in this Chamber.

We believe in allowing the public to intervene in the marketplace in such environmental issues such as beverage containers, unlike the Members on other sides of the Chamber, my good friends on the right of me and the left of me, who believe in the unfettered free market. It is like the valley of death, there are the cannons on the left of us, cannons on the right of us, cannons that are aimed by corporations, Mr. Speaker, you only have to look at the political contributions to the Parties.

\* (1800)

We all mouth the platitudes but when it comes to real intervention in the marketplace, in the environment, it is only the New Democratic Party that is really willing to go to the wall with the corporations. Well, the Member for Gladstone (Mrs. Oleson) shakes her head in her place.

I recall just reading a couple of days ago that the Government was not even willing to take on snow removal going into rivers until 1992. How can the Minister stand up and talk about his great concern of the environment when he sat around that Cabinet table and approved that—

**Mr. Speaker:** I am interrupting the proceedings according to the Rules. When this matter is again before the House, the Honourable Member will have 12 minutes remaining.

The hour being 6 p.m., this House is now adjourned and stands adjourned until Friday, November 17, 1989, at 10 a.m.