



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

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**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

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39-40 Elizabeth II

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

**Members, Constituencies and Political Affiliation**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 15, 1992

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### READING AND RECEIVING PETITIONS

**Mr. Speaker:** I have reviewed the petition of the honourable member for Wolseley (Ms. Friesen), and it complies with the privileges and practices of the House and complies with the rules. Is it the will of the House to have the petition read?

The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS the Dutch elm disease control program is of primary importance to the protection of the city's many elm trees; and

WHEREAS the Minister of Natural Resources himself stated that, "It is vital that we continue our active fight against Dutch elm disease in Manitoba," and

WHEREAS, despite that verbal commitment, the government of Manitoba has cut its funding to the city's DED control program by half of the 1990 level, a move that will jeopardize the survival of Winnipeg's elm trees.

WHEREFORE your petitioners humbly pray that the government of Manitoba may be pleased to request the Minister of Natural Resources (Mr. Enns) to consider restoring the full funding of the Dutch elm disease control program to the previous level of 1990.

As in duty bound your petitioners will ever pray.

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, I am pleased to table the Supplementary Information for Legislative Review of the Expenditure Estimates of the ministry of Natural Resources for the year '92-93.

**Hon. James McCrae (Minister responsible for Constitutional Affairs):** Mr. Speaker, I have a short statement for the House.

As honourable members of this House are aware, last week's multilateral meeting on the Constitution ended without a consensus on an overall package of constitutional amendments. However, ministers and aboriginal leaders agreed that discussions should continue and that we should stay in close touch.

We all undertook to review a proposal put forward by Saskatchewan for a new House of the Federation, with equal numbers of representatives per province but with a mixed voting system under which equality would apply on some issues and a weighted voting system would apply on others. We are still reviewing that option and discussing it with other provinces. As the Premier (Mr. Filmon) said last week, our strong preference is still the Triple-E model based on the principle of equality of the provinces.

The equality principle remains sound, fair and fully justifiable. No one can convince me that our province is not or should not be equal to every other province in a reformed Senate. It seems strange, to say the least, that the federal government and Ontario in particular should feel so threatened by an equal Senate. The Triple-E proposals provide for mechanisms to assure the supremacy of the House of Commons, that they would also make the federal system a great deal more honest, open and credible.

This week the Senate discussions will continue, and we remain hopeful that an acceptable solution can be found. Although we did not resolve our differences on Senate reform last week, we did take a very important step forward in securing the federal government's support for strengthened wording for Section 36(2), the equalization provision. We have argued consistently that better protection for equalization is necessary to sustain essential services and to counterbalance proposals for devolution.

The Manitoba task force called for such a change, and we now have a clear commitment by the federal government to support it. The next steps in the overall discussions are not certain. I understand that the Right Honourable Joe Clark is briefing the

Prime Minister today and that federal plans might become clearer in the next day or so. When there are new developments, I will advise the House.

I should add that I have distributed to the Leaders of the Official Opposition and the Second Opposition (Mrs. Carstairs) copies of an unofficial rolling draft status report on the discussions as released by Mr. Clark last Thursday. Along with that document is a short paper on possible elements of a political accord. Both documents are for reference only. Thank you, Mr. Speaker.

\* (1335)

**Mr. Gary Doer (Leader of the Opposition):** I would just like to briefly respond to the minister's statement. I would like to thank him for the statement and the copy of the rolling draft that the minister of national unity presented to the participants.

Mr. Speaker, I want to deal with the statement of the Constitutional Affairs minister on the basis of the Manitoba priorities, as articulated in the Manitoba all-party task force report and in the public hearings that took place in this province.

Number one, there was a strong desire for aboriginal constitutional reform in a reform Constitution in Canada. As we understand, there has been considerable progress made in this regard. As we also understand it, the aboriginal leadership that is now part of the constitutional discussions is bringing forward a clear and articulate vision, a united vision on constitutional reform, which should allow us in this country to finally have the historic progress in this area that I think Manitobans desired in their public hearings and articulated in those presentations.

Secondly, Mr. Speaker, the very major priority of Manitobans in the public hearings and in the report was for the strong national government with the ability to redistribute wealth from regions to regions and from individuals in our great country. There has been some progress made in the equalization, and we certainly noted that in the rolling draft that we had received a couple of weeks ago, but there are a number of other issues remaining in the strong national government. Medicare and post-secondary education were the programs that most Manitobans felt were the No. 1 and 2 priorities within the strong national program.

I note that there is no specific judicable wording dealing with EPF and the ability to maintain and

enhance our national health care programs and our national post-secondary programs in this country. We supported the Premier (Mr. Filmon) on March 2, when he said he would not support the federal government becoming a post office box of Canada with the devolution of powers that were proposed in the Dobbie-Beaudoin report. Those same devolution of powers are contained within the rolling draft that the minister provided to us. The same spending power provisions that were in the Meech Lake Accord are not in the rolling draft. We think that many of the areas in the rolling draft do not represent a strong national government and strong national areas that are the priorities of Manitobans. We want to note that for the minister.

In the area of institutional reform, Mr. Speaker, in the Senate, we have read about the four or five proposals that we understand are now before the table. We do not see any of those proposals dealing with the alienation that was presented by 30 Manitobans, I think, when they supported the Triple-E Senate, the alienation of decisions like the CF-18. We see very little in the area of what can really happen in dealing with that alienation. I would ask the government to keep a very open mind on some of these issues. The National Energy Program for Manitoba is different than the National Energy Program for Alberta. It is very important that we not just have symbolic institutional reform or political institutional reform that may be good for politicians but will not be cost effective for all Canadians. I would ask the government to very definitely look at that.

In conclusion, Mr. Speaker, in these final days or weeks or months—we do not know which—we would ask the government to make the issue of medicare and post-secondary education the issue of a strong, national government, the preeminent priority of the Manitoba government because it was the preeminent priority from the people of Manitoba when they presented their views and their visions at the public hearing.

\* (1340)

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, I have to say that I am deeply disturbed by the rolling draft which I received just minutes ago, because now we do have some texts; now we do have some agreements, it would appear. Maybe our Minister of Justice (Mr. McCrae) stood on his head a thousand times to say, no, no,

no, but it would appear very clearly from these rolling texts that we do have drafts.

In every single case, they mirror so much of what were fundamental objections by the people of this province and this country to the Meech Lake Accord, whether it is the offloading of federal powers in immigration, in housing, in tourism, in labour market training, in mining, in forestry. We are not going to have a checkerboard, because a checkerboard implies that there are only going to be two colours on the board. We are going to have a Rubik's Cube in terms of what our nation is going to look like if we allow the kind of opting-out provisions and province-by-province negotiation with program after program, which is afforded in this particular text.

Mr. Speaker, the people of Manitoba spoke very eloquently about the need to protect the Charter, but throughout this rolling draft, there are extensions of ideas to which the Charter will not apply. Now we will have the distinct society clause in the Charter. Now we will have aboriginal rights in the Charter, which says that those groups will not be subject to Charter. So do we now have a new Charter for this nation that says, if you belong to certain races, you will not be subjected to the Charter of Canada? That concerns me greatly.

The last two meetings—or the one that the minister has just come from and the one that seems to be anticipated for later this week will be back discussing Senate reform, but they will not be discussing these other most fundamental difficulties that the Canadian people have with a changed Constitution.

The minister, in his own remarks, indicated that they had achieved some commitment on equalization payments. Well, let us look at what it is, according to this rolling text. It should be amended to add a commitment to ensure the provision of reasonable comparable economic infrastructure of a national nature—and no guarantee that it will. The Constitution should commit the federal government to consultation—consultation, but absolutely no guarantee that they have to do it.

As I go through this text, I just bear in mind what my 23-year-old said to me last night on the phone when we were talking about all the newspaper stories. My daughter went to the United States to do her undergraduate work and is now trying to make up her mind where to do her doctorate, whether in the United States or in Canada. She

said, mom, why should I stay in Canada, because what they are talking about is not my country.

When I read this document, this is not the country that I love, Mr. Speaker.

## INTRODUCTION OF BILLS

### Bill 101—The Statute Law Amendment Act, 1992

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, I move, seconded by the honourable Minister of Finance (Mr. Manness), that Bill 101, The Statute Law Amendment Act, 1992 (Loi de 1992 modifiant diverses dispositions législatives), be introduced and that the same be now received and read a first time.

**Motion agreed to.**

### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon, from the Ecole Glenwood, sixteen Grade 6 students. They are under the direction of Mr. Mireault. This school is located in the constituency of the honourable member for St. Vital (Mrs. Render).

Also, from the Winkler Elementary School, we have sixty Grade 5 students. They are under the direction of Lawrence Siemens. This school is located in the constituency of the honourable Minister of Health (Mr. Orchard).

On behalf of all honourable members, I would like to welcome you here this afternoon.

## ORAL QUESTION PERIOD

### Free Trade Agreement Impact on Manufacturing Industry

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, in May of 1988, we had 65,000 manufacturing jobs in Manitoba. In September of 1988, the Premier (Mr. Fillion) said to the people of Manitoba that based on his empirical study, 12,000 to 15,000 new jobs would be created by free trade with the United States.

In May of 1992, the most recent statistics available to us, there are presently 51,000 Manitobans working in manufacturing, a decline of 14,000 good-paying jobs in our province and in our

economy, a decline of 21 percent in manufacturing jobs in this province. Every day we get another small story—Northern Telecom on Thursday, Nabisco last week—of manufacturing jobs being lost in this province and to the people of this province.

The Premier has stated that they had an empirical study about how many jobs we would receive under free trade with the United States. We know we have declined by 14,000 jobs.

I would ask the Premier: Why have we declined by 21 percent in one of the most vital industries we have in this province for the opportunity of people in this province?

\* (1345)

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** Mr. Speaker, this question is very similar to ones that the Leader of the Opposition (Mr. Doer) has asked before in terms of recognizing the impact of other factors in terms of our exports and our trading relationship. One need look no further than what is happening in other provinces and the impact of a nation-wide and, in many cases, world-wide recession, looking at the value of the Canadian dollar over the last several months and years and several other factors that have impacted in terms of our trade relationship.

Even keeping that in mind, if you look at the raw dollars, Mr. Speaker, you will realize that from '88 to 1992, the exports of Manitoba to the United States have gone up by in excess of \$100 million. Looking ahead to the impacts on the economy in terms of the economic indicators of Manitoba for the years 1992, 1993, 1994, I have outlined them on many occasions for the Leader of the Opposition and his party in terms of the expected solid performance of the province of Manitoba relative to other jurisdictions.

When he points to the manufacturing sector, in 1992 we will have the highest private investment in the manufacturing sector of any province in all of Canada. In terms of our performance, of our retention of jobs in the manufacturing sector, while we are not necessarily pleased, relative to other provinces, we still have the fifth best retention and growth rate of any province.

So, clearly, when you talk about free trade, when you talk about that issue, once you would recognize, there are many issues, many aspects of that and many things that affect the final numbers, Mr. Speaker.

### **North American Free Trade Agreement Government Withdrawal**

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, I would have thought the Premier (Mr. Filmon), as Chair of the Economic Committee of Cabinet—that \$800,000 secretariat that was supposed to give us some impact study of what was going on our economy—could have made the distinction between the fact that Manitoba's manufacturing base has gone down 21 percent since free trade has come in, the United States' manufacturing base has only gone down 6 percent in the same recessionary period and that, yes, we are the same as other provinces of Canada with manufacturing. All of us have been clobbered by free trade and gone down about 20 percent. The Minister of I, T and T is absolutely correct, but what he has to compare it with is United States.

A further question to the First Minister. Mr. Speaker, the Canadian Manufacturing Association, which was absolutely in support of free trade with the United States, has now put up a survey cautioning us on free trade with Mexico. Michael Wilson has now publicly stated that there are going to be changes to the Canada-U.S. Free Trade Agreement as part of the free trade negotiations with Mexico.

In light of the fact that that is a contradiction to one of Manitoba's six terms, would the Premier now commit himself to joining Premier Harcourt and Premier Romanow in not supporting the free trade agreement with Mexico? Let us get our own country stable and our own manufacturing base stable before we go any step further.

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** First of all, I should correct the Leader of the Opposition. He has done this once before back on, I believe it was, May 19, where he indicates and refers to Premier Romanow and the position of Saskatchewan.

I have been at Trade ministers' meetings and recently speaking to the economic minister in Saskatchewan last week. Saskatchewan has not taken a position yet publicly. The honourable Leader of the Opposition referred to that in Hansard once before. I do not know if he knows something we do not know in terms of what the province of Saskatchewan is doing, but I have asked them and I have been at the meetings, and they have not indicated a position yet. We are still awaiting for the

position of Saskatchewan. So it is quite interesting that the Leader of the Opposition seems to have some inside knowledge in terms of what is happening in other provinces.

Taking that one step further, Mr. Speaker, the Leader of the Opposition referred to it on May 19 in this House, whereas the letter from Premier Harcourt to the Prime Minister was June 4. Once again, strange things are happening in terms of the positions and in terms of the ideological bent that one party has instead of looking at all aspects of an issue. We have outlined six conditions. There is no final agreement yet. When that final agreement is put forward by the federal government, we will evaluate it in relationship to our six conditions and formulate a final position at that time.

**Mr. Doer:** I will give the minister a copy of Premier Romanow's statement at the last economic meeting. I am sure the Premier (Mr. Filmon) has a copy of it. I am sure the Premier discussed this with his two I.C. of the economy at his most recent economic meeting. But I have the statement of Premier Romanow, and I will want an apology, for the minister opposite.

Mr. Speaker, the federal government, in the Dallas draft, clearly was renegotiating conditions of the Free Trade Agreement with the United States. It clearly breached at least five out of six conditions that this government has established. Again, today, we have confirmation—on top of the tremendous job losses—that the federal government is indeed changing the Canada-U.S.A. Free Trade Agreement. You said it was one of your conditions.

I would ask the Premier now—he has changed his word once in going from opposition to free trade with Mexico to the six conditions—will he go back to his original word and go back to his original conditions and now oppose the proposed free trade agreement with Canada, United States and Mexico? Our economy cannot afford the loss of many more jobs.

\* (1350)

**Mr. Stefanson:** Mr. Speaker, there will be no apology, because Hansard clearly shows, on May 19, and I will quote from the Leader of the Opposition: The Premier of Saskatchewan and the Premier of British Columbia have called on a full stop to free trade negotiations with Mexico because of its impact on agriculture, textiles and other industries.

A letter written from Premier Harcourt of British Columbia is dated June 4, some two or three weeks after the announcement by the Leader of the Opposition. Certainly, in terms of the position of Saskatchewan, I spoke to their economic minister last week, and they have no position. I have been at the Trade ministers' meetings, unlike the Leader of the Opposition. So there will be no apology. He seems to have inside information that others are not privy to, Mr. Speaker.

In terms of the six conditions, we have made them very clear. We stand by our six conditions. There is no final agreement. The Leader of the Opposition is responding to media reports and other suggestions that he is formulating, again, his position based on one ideological point of view that has no flexibility. It is so rigid. It cannot address all aspects of a trade deal in terms of what is in the best interest of Manitoba and what is in the best interest of Canada.

We do not operate that way, Mr. Speaker. We listen to all sides of an issue, and we will formulate a position that is in the best interest of Manitobans and Canadians, unlike the ideological bent of the opposition party.

### AIDS Education Projects Funding

**Ms. Judy Wasylcia-Lels (St. Johns):** The prevention of the spread of the deadly disease AIDS is an urgent matter for all of us. It takes certain skills and cultural sensitivities and, of course, the language to address this issue among our newcomer communities.

The AIDS education project for immigrants and refugees has been a successful two-year project, funded by the federal and Manitoba governments until this year. It meets this government's stated commitments for health care reform. It meets this government's stated commitments for multiculturalism. It is unique in all of Canada.

I would like to ask the Minister of Health: How does this minister justify denying the \$50,000 necessary to keep this AIDS education project alive, something the minister did by way of a letter on June 10, when he said funding is no longer available to the AIDS education project for immigrants and refugees?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, my honourable friend might also be aware

that the federal government put in a little over \$60,000 over a two-year period of time. It is my understanding that the federal government is not choosing to continue their funding, which then would transfer the entire cost to the province of Manitoba.

Mr. Speaker, in terms of prioritization of our grants to all funded agencies, we analyzed a number of factors, and in approving an annual grant of \$164,800 to Planned Parenthood of Manitoba to continue their Immigrant-Refugee Health Program, we believed there was a reasonable fit for some of the successful initiatives in the two-year pilot project jointly funded by the federal government with the withdrawal of the federal government funding. We believe that the best of the program may well be achieved through the \$164,800 funding to Planned Parenthood, and the staff of the department are working with the two organizations now to see if there is an equitable way to make those two programs fit, Sir.

**Ms. Wasylycia-Lels:** Mr. Speaker, we are talking about two separate programs providing different needs and serving different communities. I would like to ask the minister if he will reconsider this decision in light of an independent analysis completed as of May 1992 of this AIDS education project, which clearly states that this project has been highly successful and that it must be continued in its form as it is now. To try and absorb it into any other program would spell disintegration of this initiative.

\* (1355)

**Mr. Orchard:** Mr. Speaker, my honourable friend says this is an entirely different community. These are newcomers to Manitoba. We have provided funding for an immigrant health program through Planned Parenthood for one year of \$164,800.

Now, Mr. Speaker, one of the observations, for instance, by the Social Planning Council of Winnipeg is that various levels of government and various other funding sources fund a plethora of programs in separate agencies dealing with somewhat similar issues in the same geographic areas of the province. Here we have a program which we are putting almost \$165,000 into this year, through Planned Parenthood, for Immigrant-Refugee Health Program, involving a multitude of language capability training, et cetera. We believe in today's context that a marriage of those two programs is achievable, appropriate and effectively

utilizing management resources to deliver AIDS programming to newcomers to the province of Manitoba, Sir.

**Ms. Wasylycia-Lels:** Mr. Speaker, you know this government talks like Tommy Douglas—

**Mr. Speaker:** Order, please. Question. The honourable member for St. Johns with your question, please.

**Ms. Wasylycia-Lels:** Would the minister, in light of his health care reform Action Plan—considering it costs \$150,000 to treat one person with AIDS from diagnosis to death—would this minister reconsider his heartless decision and agree to find \$50,000 for a cost-effective AIDS prevention program in the immigrant refugee community?

**Mr. Orchard:** Mr. Speaker, with as much common reason as I can put to the answer, is my honourable friend saying that every time a single disease entity comes along that we must fund a separate agency to deal with the disease entity?

Mr. Speaker, this is AIDS. That is correct; my honourable friend says this is AIDS. That is exactly why two years ago—as a matter of fact, Sir, three years ago, our AIDS pamphlet was translated into a number of immigrant refugee languages, something my honourable friend in government failed to do. That is why we believe, within the existing resources of the department, within \$165,000 of annualized funding to Planned Parenthood to refugees on health issues, with the resources of the printed pamphlets in a number of languages, with the back-away of the federal government on a two-year pilot project, that we can marry the benefit of this project in an existing program through Planned Parenthood and not duplicate bureaucracies all across the province.

### **Constitutional Proposal National Standards**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, in the Meech Lake Task Force on the Constitution and more recently the task force on the Constitution, Manitobans spoke very eloquently about the need for a strong central government. In the rolling draft that we have been provided, it is clear that no such strong government will exist. No longer will the federal government have a role to play in culture, labour market training, immigration, forestry, mining, tourism, housing, recreation, municipal and urban affairs.



Can the Premier (Mr. Filmon) of the province tell this House today if he believes this new direction, found in the rolling draft, meets the expectations of Manitobans, as found in the two task force reports?

**Hon. James McCrae (Minister responsible for Constitutional Affairs):** One of the dangers of making a rolling draft available to the Leader of the Liberal Party is that she takes that draft and assumes, contrary to what I have previously said repeatedly in this House and elsewhere: nothing in this document is agreed to until a package is agreed to.

\* (1400)

The honourable member's concerns are well founded, and they are very much on our minds in the discussions we have been having. One of the central elements of the all-party task force report, headed up by Professor Wally Fox-Decent, is preserve a strong central government so that smaller provinces, like Manitoba, can be offered and afforded the protection they need and the potential, the opportunity they need to come into this next century and emerge as a bigger province, as a "have" province. That is our dream here in Manitoba shared by most people in this House—I would hope all.

So when the honourable member refers to the various areas of powers and says that these are devolved to the provinces—untrue. That is just not true. Manitoba and other provinces may or may not decide to get into that kind of an arrangement. If we do not decide to do that, there are also safeguards there to ensure that the federal role and participation in the various programs remains.

So you have to remember, Mr. Speaker, that nothing here is agreed to until everything is.

**Mrs. Carstairs:** Mr. Speaker, this is what we keep hearing: nothing is agreed to. Yet we know that when the final package comes down, we will be told it is a seamless web, that you cannot uncross a "t" and you cannot undot an "i" or everything falls apart. So it is absolutely imperative that the discussions of these rolling texts take place now.

Will the Minister of Justice tell this House why, throughout this rolling draft, they use the words "national objectives" and not "national standards"? It was the words "national standards" which were the words of Manitobans at both task force hearings.

**Mr. McCrae:** Mr. Speaker, you will not find me referring to anything that we have been doing as a seamless web.

I was about to say, the honourable member for River Heights referred, in her response to my ministerial statement, to a Rubik's Cube, and that is how I have referred to this process as well, except in a different way. You do not know about that Rubik's Cube; you do not know that you have completed the puzzle until all of the pieces are in their proper places. That includes things like equalization, unlike what the honourable Leader of the Opposition (Mr. Doer) said a little while ago. The language we have on equalization today is much stronger than the language that he was referring to a couple of weeks ago. It has improved from that point.

We need that kind of comfort on programs like equalization to ensure that devolution of power does not have the effect feared by the honourable member for River Heights (Mrs. Carstairs). So what we are trying to do, Mr. Speaker, is to ensure that the package comes out respecting the equality of the provinces while, at the same time, ensuring a strong central government. It is a difficult thing to put together as the time has past demonstrated and the fact that we do not have a consensus that we can take to the people. The honourable Leader of the Liberal Party also, conveniently or otherwise, forgets that we are not finished until the people of Manitoba have been heard from in this process.

**Mrs. Carstairs:** Mr. Speaker, if the media reports are correct, all of the time and energy of the last meeting of ministers was spent on the discussion of Senate reform. If there is a meeting this week, all of the discussions are to take a role around the issue of Senate reform.

Can the Minister of Justice tell us, if not all of the other issues have been agreed upon, why are the ministerial meetings only discussing Senate reform?

**Mr. McCrae:** Well, Will Rogers used to say, all I know is what I read in the paper, Mr. Speaker. Clearly, that is all that the Leader of the Liberal Party has been reading and is reading in the paper. There are a lot of other things going on, as the honourable Leader of the Liberal Party ought to understand. Having played an important role in the last go around, that honourable member, of all honourable members, knows there is more being discussed

than simply the matter of Senate reform. It happens to have captured the imagination of the news media, because who would have thought two years ago that we would still be talking about a Triple-E model of Senate reform? I suggest that we have achieved something in that respect.

In the last round of discussions, Mr. Speaker, in addition to the issue of Senate reform, much discussion was had about aboriginal matters, and the honourable member for Rupertsland (Mr. Harper) was there and can bear that out. There was much said about—well, not so much said about equalization, because the federal government did some research and decided on some language that could be acceptable to them which would do exactly what the Leader of the Liberal Party is suggesting, and that is to preserve a strong central government in Canada.

### **Manitoba Grants Advisory Council Review**

**Ms. Marianne Cerilli (Radisson):** Mr. Speaker, the report in the paper today is not the first time we have heard concerns that this government attempts to control activity in the multicultural community, especially dispel challenges to the government by threatening groups' access to grants.

My question is for the Minister responsible for Multiculturalism. Since the granting function of the Multicultural Grants Advisory Council was previously a responsibility of the Intercultural Council, will the minister deal with the concerns in the community regarding multicultural grants by including the Grants Advisory Council in the review of MIC so we have a comprehensive review of what is happening with respect to this community?

**Hon. Bonnie Mitchelson (Minister responsible for Multiculturalism):** Mr. Speaker, I guess I would not have felt that the process of a multiculturalism act was complete unless I heard some opposition from Wade Williams. It has happened today. So it has happened today; it is in the paper now. He has never been known to be a friend of this party. I believe he was multicultural adviser to the Liberal Party at one time, and he might now be a multicultural adviser to the New Democratic Party.

Mr. Speaker, The Multiculturalism Act that is before the House right now is an act that is the

consensus of those that I held consultations with throughout the community, and it will remain intact.

**Ms. Cerilli:** The minister is suggesting that she is not going to listen to any demonstrations for amendments to the act.

Is it government policy to discourage appeals to the Manitoba Grants Advisory Council and tell applicants that they are lucky they are getting anything? If that is not government policy, why is that happening, and why is that agency not being reviewed when MIC is?

**Mrs. Mitchelson:** Mr. Speaker, that is quite a serious allegation from the New Democratic Party. If, in fact, there is any information that the member for Radisson has that would indicate that in any way there has been interference—and I do want to indicate, before the Multicultural Grants Advisory Council took over, under the Manitoba Intercultural Council, there was not even an appeal process. So people were told "yes" or "no," and when they were told "no," there was no vehicle that they could use to appeal that decision. There is an appeal mechanism in place today, and anyone who feels that they have been unfairly treated can appeal the process.

### **Multicultural Legislation Amendments**

**Ms. Marianne Cerilli (Radisson):** Given the history of interference by this government in these communities, how can we be assured that communities are going to feel free to propose amendments to the multicultural act that is before the House?

**Hon. Bonnie Mitchelson (Minister responsible for Multiculturalism):** Mr. Speaker, I have great difficulty believing in fact that people are afraid to speak out. This government has never left the impression with anyone in Manitoba that they would be penalized in any way for speaking out.

This is a democratic society, Mr. Speaker, and we value the input and the opinions of everyone. I respect everyone speaking out, saying what they believe they should say. That is part of a democracy, and that will continue in this country. I respect everyone's opinions. That does not necessarily mean that I agree with every opinion that is presented, but I respect people speaking out and saying what they think and what they believe.

### DOTC Police Force Funding

**Mr. Elijah Harper (Rupert's Land):** Mr. Speaker, my question is to the Minister of Justice.

The Aboriginal Justice Report, along with many other people, praised the Dakota Ojibway Tribal Council at least for their work. As a matter of fact, the AJI recommended that it receive additional funding. Regrettably, like other recommendations, the government has not acted on the recommendations.

Will the Minister of Justice make a commitment today to the DOTC police to ensure that their work and their program continues?

\* (1410)

**Hon. James McCrae (Minister of Justice and Attorney General):** The honourable member knows how the system works when it comes to working with the federal government. Sometimes it is difficult, and he knows that. We are getting some fairly positive signals from the federal government more recently though with respect to the Dakota Ojibway Tribal Council probation services which has been in such grave danger for the last little while.

We are hopeful that the federal government will, in a very short period of time, make a very positive announcement with respect to the continued existence of that very successful probation service. With respect to the DOTC police and the new regime the federal government wants to set up, it is interesting, Mr. Speaker, that the federal government would like to begin this new model with the DOTC police, because it just happens that if we adopted the federal model immediately, the provincial government would immediately begin contributing a far larger share than we are now. So I have problems accepting the federal government's view that that is the proper place to start with aboriginal policing, because all it is is a way for the federal government to unload the responsibility it has, until this date, been carrying on.

This government and the previous government have been supporting the DOTC police department for a good number of years now, and we want to see that kind of thing continue, but we have not made a determination that we ought to dive in with both feet on the DOTC police proposal, thus allowing the federal government to offload responsibility that has been carried for a number of years.

**Mr. Harper:** Mr. Speaker, my supplementary to the same minister.

Virtually all of the provinces have begun negotiations or are in the process of negotiating with the federal government regarding the aboriginal policing, yet here in Manitoba, the minister has not taken a position at all and has not even met with the DOTC police.

Will he meet with them now and start discussing the arrangements?

**Mr. McCrae:** In the past, Mr. Speaker, I have met numerous times with representatives of the DOTC police, and there is no point having a meeting with the federal government not being there to be a full partner in those discussions. I think that is the difficulty that we are experiencing, but as I said in the first answer, there is no point starting with DOTC. They are going now. They need to be funded to a higher level; there is no question about that, but in the interim period, that funding ought not to be made available by the province but by the federal government.

We are interested in getting together with the federal government and aboriginal people to talk about more appropriate policing in their communities, but we are not about to let the federal government off the hook just because the honourable member says we ought to allow that to happen and we ought to start paying all the bills.

Under Section 91(24) of the Constitution, aboriginal people and lands reserved for them are the responsibility of the federal government, and we will not let them away from their responsibility as easily as the honourable member would urge.

**Mr. Harper:** To the same minister: Will he at least meet with the DOTC police chief and also at least maybe agree to fund the DOTC police force until the end of the fiscal year, until the tripartite agreement has been made between the province and the federal government? Will he ensure that will happen?

**Mr. McCrae:** I would be interested in meeting again with DOTC police if I thought that there was going to be something new to be discussed. The point that I make with the honourable member is that I will not use a meeting like that to go to the meeting to say, all right, I will do what the honourable member for Rupert's Land (Mr. Harper) says and just sort of roll over and let the federal government off the

responsibilities it has been carrying. I will not do that.

Now, if the meeting is for some other purpose, then, sure, I would have a meeting with the DOTC police representatives. I have had them in the past.

### **Multicultural Legislation Manitoba Grants Advisory Council**

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, we find that what the government is doing by putting the Manitoba Grants Advisory Council into legislation, into the multicultural act, they have a major flaw in the sense that what they are doing is they are legalizing, if you will, the politicization of multicultural grants. I am going to ask the minister responsible to do the honourable thing, because there is absolutely no need to have MGAC in the multicultural act. Will she withdraw that clause from the act?

**Hon. Bonnie Mitchelson (Minister responsible for Multiculturalism):** We have before us a piece of legislation that the majority of Manitobans, specifically those within a lot of the ethnocultural communities, are supportive of and are applauding, Mr. Speaker. I look forward to hearing the opposition's comments on the legislation and in fact moving it onto committee so that we can hear presentations from Manitobans and hear what their concerns are and what their support might be for that legislation.

**Mr. Lamoureux:** Mr. Speaker, I would ask the minister, can she tell us who, besides the board members who have been appointed by her, supports having the Manitoba Grants Advisory Council in the multicultural act? Who supports it? I do not know who the minister is speaking to. It should be—

**Mr. Speaker:** Order, please. The honourable member has put his question.

**Mrs. Mitchelson:** There are many from the community whom I have spoken to, who do agree, in fact. As I indicated earlier, I am looking forward to this bill passing on to committee so that in fact Manitobans can come and make presentations on the content of the act.

**Mr. Lamoureux:** Mr. Speaker, the minister would not give one name, and I think that is—

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

### **Manitoba Intercultural Council**

**Mr. Kevin Lamoureux (Inkster):** My question is to the minister.

Given the treatment that she has dished out to the Manitoba Intercultural Council and given her commitment to the Manitoba Intercultural Council that the MIC would be included in a multicultural act that she gave me, Mr. Speaker, I ask the minister why has she excluded the Manitoba Intercultural Council from the multicultural act?

**Hon. Bonnie Mitchelson (Minister responsible for Multiculturalism):** Given that there does not seem to be any consensus within the community on changes to the Manitoba Intercultural Council, we have set up, Mr. Speaker, a consultant who is going to consult broadly. I do know that consultant is going to speak with members of the Liberal Party if they will speak to him. He is going to speak to members of the New Democratic Party and not only those present members, but indeed the former minister, Eugene Kostyra, who brought in The Manitoba Intercultural Council Act and the present member for St. Johns, who was the Minister of Culture before my time.

So he is going to meet with everyone within the community who has something to say and look at what, in fact, amendments should be made to The Manitoba Intercultural Council Act. If that report recommends that the Manitoba Intercultural Council should be included in a multiculturalism act or in the act, you know every year acts are amended in this Legislature, so that process can take place.

### **North American Free Trade Agreement Clarification**

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, a few minutes ago the Minister of Industry, Trade and Tourism, (Mr. Stefanson), who obviously is in no communication with the Premier who attends the economic meetings of government, stated that Saskatchewan was not opposed to the free trade negotiations with Mexico. I want to table a statement at the First Ministers' meeting quoting that: as far as the Mexico round, Saskatchewan urges that they be shelved. This is from Premier Romanow from Saskatchewan.

I would like to ask the Premier to advise his Minister of Industry, Trade and Tourism what was said at the first meeting on the economy and not

misrepresent the Premier of Saskatchewan on this very important issue.

**Hon. Gary Filmon (Premier):** Mr. Speaker, we have here the classic case of the New Democratic Party who have ideological blinders on an issue such as trade. They are willing, no matter what they know about it—and in the case of the Leader of the Opposition, he knows very little about it—to make a decision, sight unseen. They are opposed—totally, ideologically blinkered. They put their head in the sand like an ostrich, and they do absolutely nothing but oppose, oppose, oppose, regardless of any fact. That is not the kind of thing that we will support.

### Premier's Position

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, I would like to ask the Premier then: Was the position he took on the Leaders' debate during the last election, in front of all Manitobans, to oppose the free trade negotiations with Mexico, based on the fact he had his head in the sand, he was not studying the issues, or are the six conditions now the basis of his study? Why did he flip-flop on this important issue between the time before the election and now in terms of this negotiation?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I thought the Leader of the Opposition was too busy stage-managing himself, taking his jacket off, to pay attention to anything that was said during that Leaders' debate. When his handlers and his stage managers got hold of him there, I did not think he had any time for any issues to be discussed. I am glad that he was paying attention.

Of course, Mr. Speaker, the issue was that there was no free trade agreement to be discussed or considered at that time. There was no agreement to be considered at that time. There is a proposal forward now, to which we have responded comprehensively with six conditions that we say, if those six conditions are met, then there could be benefit to Canada.

That is the situation that we have put ourselves in, given the fact that there is a discussion taking place, that there is a draft being discussed. We have put our six conditions on the table to say that if those six conditions are met, then we will consider that agreement because it would, under those conditions, hold benefit for Manitobans and Canadians.

\* (1420)

### Bill 82 Environmental Guidelines

**Mr. John Plohman (Dauphin):** Mr. Speaker, the Minister of Agriculture has introduced The Farm Practices Protection and Consequential Amendments Act, Bill 82. It is largely consistent with legislation in other provinces.

However, in February, when the minister released the discussion paper in preparation for the bill, he included four items that had to be addressed by the government. He said that there was a need to review livestock regulations under The Environment Act with a view to setting minimum environment standards—and I am quoting from the minister's paper of February. Also, he said that there was a need to assist municipalities in their land-use planning approaches to agricultural operations.

Since the minister is asking us now, Mr. Speaker, to pass Bill 82, dealing with farm practices protection, can he tell this House what progress he has made with regard to those other three issues that he considered important in February to be addressed hand in hand with this legislation before this House.

**Hon. Glen Findlay (Minister of Agriculture):** I am pleased to report to the member that I have asked the Minister of Environment (Mr. Cummings) and the Minister of Rural Development (Mr. Derkach) to look at the planning and the environment acts with regard to being consistent with what we are going to pass in Bill 82. We have also set up a committee to develop the guidelines that will be used in the process of making decisions under the bill.

**Mr. Plohman:** Mr. Speaker, since the minister in his own paper also said that there is considerable variability in the manner in which agriculture operations, especially livestock, are addressed by municipalities, why has he not ensured that that issue has been addressed prior to bringing the legislation in so that situations that have developed with Pur-A-Tone applying in one municipality and another are not treated differently from municipality to municipality because of an absence of any standards?

**Mr. Findlay:** Mr. Speaker, guidelines in many agriculture operations are now available—I would not say in place, but available—and they will be scrutinized to determine their acceptability for the process we are talking about here on Bill 82. We will ask the municipalities to look at them, to use

them in the decision-making process they are involved in.

I can tell you many of the municipalities in the last year have come forward and asked that we participate with them in guideline development. That is going on. A committee has been struck involving my department, other departments and the municipalities to work toward getting those guidelines in place so they will work for everybody's betterment.

**Mr. Plohman:** Mr. Speaker, the minister brought four major initiatives out in his paper in February. He is only addressing one of them in this legislation. I ask the minister why he has not followed his own discussion paper with regard to the issue of including the issues of water quality and health under The Environment Act for livestock operations prior to bringing in the act which will now provide protection for large operations.

**Mr. Findlay:** Mr. Speaker, as a result of both the first discussion paper that went out and the second discussion paper, a lot of issues surfaced, and all those issues are being addressed in a consultative process within government and outside of government. We are fully aware of what needs to be done, and all the processes are in place and working toward the conclusion.

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

### Speaker's Ruling

**Mr. Speaker:** Order, please. I have a ruling for the House.

On June 9, 1992, the opposition House leader, the honourable member for Thompson (Mr. Ashton), rose on a matter of privilege and moved "That the question of security at the Legislative Building be referred to the Committee on Privileges and Elections."

After contributions from the House leader for the Liberal Party, the honourable member for Inkster (Mr. Lamoureux) and the honourable Minister of Government Services (Mr. Ducharme), I took the matter under advisement. The matter of privilege arose from the abduction of the honourable member for St. Norbert (Mr. Laurendeau) from the grounds of the Legislative Building in the early hours of June 9, but it relates to a broader question of security of persons in this building and on these grounds.

Privilege, as defined by Sir Erskine May, is "the sum of the peculiar rights enjoyed by each House

collectively . . . and by Members of each House individually, without which they could not discharge their functions."—Beauchesne's Citation 24. Joseph Maingot puts it more simply by stating that "Parliamentary privilege is the necessary immunity that the law provides for members of Parliament, and for members of the legislatures of each of the ten provinces and two territories, in order for these legislators to do their legislative work."—Parliamentary Privilege in Canada, page 12.

Maingot also deals with the matter of assaulting or threatening of members, and I quote: "Members are entitled to go about their parliamentary business undisturbed. The assaulting, menacing, or insulting of any member on the floor of the House or while (s)he is coming to or going from the House, or on account of his (or her) behaviour during a proceeding in Parliament, is a violation of the rights of Parliament." That is found on page 196. However, Maingot points out that to be considered a matter of privilege, any molestation or intimidation of the member must relate to his parliamentary duties unless the circumstances arise within the precincts when the House is sitting.

To qualify as privilege, it must be shown that the member was obstructed or interfered with in his work relating to a proceeding in Parliament and not simply performing his representative duties in his constituency or other areas.

No connection has been established between the events of Monday night and the member's behaviour during a proceeding in Parliament. Therefore, I am ruling that the matter raised by the opposition House leader does not satisfy the conditions of privilege. The issue is, however, a most serious one, and the House may wish to debate the motion to refer the question of security to the Standing Committee on Privileges and Elections. I leave that to the will of the House.

**Mr. Steve Ashton (Opposition House Leader):** Mr. Speaker, having raised the matter of privilege and appreciating your ruling, I would certainly say on behalf of our caucus that we feel referring the matter to committee would probably be the best way of dealing with the various concerns that arose out of this incident. I appreciate the comments in your ruling in that regard, and I would suggest that perhaps we do that and agree to referring it to the Committee on Privileges and Elections and discuss it further there.

**Mr. Kevin Lamoureux (Second Opposition House Leader):** Mr. Speaker, we do not have any problem. We think that the recommendation that has been put forward from the official opposition House leader is a good one and would support it going to the committee for further discussion.

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, the question of security is always an important issue and one that should probably be dealt with on an ongoing basis. Consequently, we have no difficulty in seeing the motion referred to the Committee on Privileges and Elections. Well, the motion, of course, is ruled out of order, but I will undertake when that committee is sitting, to include it as one of the agenda items.

**Mr. Speaker:** I would like to thank all honourable members for their advice, and that does conclude this matter.

### Committee Changes

**Mr. Edward Helwer (Gimli):** I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the Standing Committee on Privileges and Elections be amended as follows: the member for Lac du Bonnet (Mr. Praznik) for the member for Seine River (Mrs. Dacquay); the member for Morris (Mr. Manness) for the member for River East (Mrs. Mitchelson); the member for Brandon West (Mr. McCrae) for the member for Rossmere (Mr. Neufeld); the member for Pembina (Mr. Orchard) for the member for La Verendrye (Mr. Sveinson). [Agreed]

\* (1430)

### House Business

**Mr. Manness:** Mr. Speaker, before I move the Supply motion, I wonder whether or not there is a will to waive private members' hour.

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

**Some Honourable Members:** No.

**Mr. Speaker:** No, leave is denied.

**Mr. Manness:** Furthermore, Mr. Speaker, I wonder whether or not there is a willingness to reconvene tonight, instead of at eight o'clock, at 7 p.m. this evening.

**Mr. Speaker:** Is it the will of the House to reconvene at seven rather than at eight?

**Some Honourable Members:** No.

**Mr. Speaker:** No, there is no consent there at all.

**Mr. Manness:** Mr. Speaker, I would like to seek permission then to waive Rule 65.(9)(c), which presently does not provide for starting a new department after 10 p.m. I wonder whether or not there is unanimous consent to waive that rule.

**Mr. Speaker:** Is there a will to waive Rule 65.(9)(c)?

**Some Honourable Members:** No.

**Mr. Speaker:** No, there is no leave for that either.

**Mr. Manness:** Mr. Speaker, I will try one more time. I will ask whether there is unanimous consent to waive Rule 65.(9)(d), which allows the consideration of another department after 10 p.m.

**Mr. Speaker:** Is there will of the House to waive Rule 65.(9)(d)? Do you want me to read it out?

**Some Honourable Members:** No.

**Mr. Speaker:** No, there is no leave for that one either.

**Mr. Manness:** Well, zero for four, Mr. Speaker.

**Mr. Speaker:** Yes, you are not doing very well.

### ORDERS OF THE DAY

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

**Motion presented.**

\* \* \*

**Mr. Paul Edwards (St. James):** Mr. Speaker, I rise to continue the grievance I started on Thursday of last week.

**Mr. Speaker:** Order, please. Pursuant to Rule 26.1(3): "Any debate pursuant to this Rule is terminated when the House adjourns on the day of the debate and shall not be continued or resumed at the next or any subsequent sitting of the House."

\* \* \*

**Motion agreed to,** and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty with the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Consumer and Corporate Affairs, and the Department of Culture, Heritage and Citizenship; and the honourable member for Seine

River (Mrs. Dacquay) in the Chair for the Department of Highways and Transportation, and the Department of Energy and Mines.

**Mr. Speaker:** Madam Deputy Speaker, take the Chair, please.

\* (1440)

## COMMITTEE OF SUPPLY (Concurrent Sections)

### CONSUMER AND CORPORATE AFFAIRS

**Mr. Deputy Chairperson (Marcel Laurendeau):** Order, please. Will the Committee of Supply please come to order.

This afternoon, this section of the Committee of Supply, meeting in Room 255, will resume consideration of the Estimates of the Department of Consumer and Corporate Affairs.

When the committee last sat, it had been considering item 2.(a) Consumers' Bureau: (1) Salaries \$914,100 on page 25.

**Mr. Gulzar Cheema (The Maples):** Mr. Deputy Chairperson, I do have a few questions on this branch. As the minister knows full well, we have raised one issue with her, about the 4 Carriere Avenue resident place where—I will give some facts to her. Probably some of them she already knows. Between 1983 and 1986 there was an illegal increase on the rent introduced by the landlord at that time, and these increases took place by means of a new increase every time a new tenant would move in, and no applications for excess increases were made. Can the minister tell, is that a fact?

**Hon. Linda McIntosh (Minister of Consumer and Corporate Affairs):** I wonder, Mr. Deputy Chairperson, if the member could just repeat that last line, because you asked me to verify something as correct and your voice got lost in the noise here.

**Mr. Cheema:** Okay, Mr. Deputy Chairperson, I will try again. What I am asking simply is the situation as regards rents at the 4 Carriere Avenue place where, during 1983 and 1986, rent increases were introduced and later on, as the place was sold, these increases took place by means of new increases, and every time a new resident would move they still have to pay on the basic rent which was already more than it was required. Basically, if you move into a place you have to pay an increase, but there is no regulation that if somebody is moving next time he has to pay on the same basic rent as it was at

the initial stage. So, for example, if you have a resident place, you can have four new tenants in one year, and every time you increase the rent by 3 percent or 4 percent, you end up going up 16 percent. That was the situation at this place.

Can the minister tell us, is she aware of the situation?

**Mrs. McIntosh:** Mr. Deputy Chairperson, this is a complex issue the member has raised before and that we have discussed. It is an issue in which we have been guided by legal opinion. As the member knows, the whole issue revolves around the interpretation of Section 34 of The Residential Rent Regulation Act. My department's legal advice is that we cannot take action on the event which took place more than two years prior to the property change in ownership. In other words, in this particular instance no application was made for rent increase. The rent was increased without approval for those increases, and the landlords subsequently changed.

The new landlord did comply and obtain information he was required to according to law, and part of that information was to establish whether any improper rent increases had taken place in the two years prior to that new landlord taking ownership. He did obtain that information and no improper rent increases had been taken in those two years prior nor were any monies outstanding. The landlord had no way of knowing that the increases that had taken place years prior to that and that no approval had been sought for them. That is not to say that those increases would not have been given approval if they were proper, it is just that approval was not requested. That two-year period, it is deemed to be a reasonable amount of time in which to trace back, because in the majority of cases tenants will come forward, indeed, usually much sooner than within two years to indicate concern about rent increases if they have them.

The landlord must make available a listing of the rent charged for the two years prior to taking purchase, and the amount of money due and unpaid under any order from this branch. You have to read Sections 34(1) and 34(2) together. So we are advised by our legal counsel that we cannot take action in this instance.

\* (1450)

**Mr. Cheema:** Mr. Deputy Chairperson, I am really surprised. I do have the copy of the legal opinion,



and it clearly indicates that the responsibility is on the new landlord for the previous two years. Now, is it not unfair in terms of if you buy a place and you have 40 tenants in your place, charge them 4 percent more under the regulation and then sell to somebody else and that person will come and do the same thing, or even if he or she is not selling they could still have new tenants and still charge on the basic rent? When you have known this for two years at least, why have you not made a point of correcting the problem? Why do we continue to follow the same thing that happened in 1984?

**Mrs. McIntosh:** The member raises an interesting point, Mr. Deputy Chairperson, and you know the question essentially that he is asking is, how far back does one go in tracing issues in past history before ownership changes take place? This instance that he is describing is one that does not occur very often, and the fact that it does not occur very often leads me to believe that maybe the two years is an appropriate date. Now that could be extended to three years or four years or 10 years. Certainly, I am prepared to listen to arguments that might have us change the act to have it be more than two years, but the issue that takes place here is the new landlord, coming in to purchase the property, is compelled to look back two years and does that.

Now in looking back two years and presenting information to the branch that shows the previous two years, the renewal, unapproved rent hikes, et cetera, that new landlord, making a purchase of that property, then expects that he will generate a certain amount of revenue for himself as a result of acquiring that piece of property.

The member is talking about fairness. I appreciate the point he is making, because it is a point that is one we all want to see addressed, that people are treated fairly. That would include the landlord, who, in assuming the property rightly, according to his perspective, I think having followed all the rules, assumes that he will generate a certain amount of income from that particular property.

To then penalize him to say, well, during the two years that the rents were put up, and we understand in this instance how the rents did go up, and that was as each former tenant moved out, the previous landlord had gone in and extensively renovated the suites and then made the adjustment in the rent to cover that particular suite, but never asked for approval on that. So there is no way of the branch being able to prove whether the renovations were

made or not made, justifying a rent increase, because approval was not sought.

(Mr. Bob Rose, Acting Deputy Chairperson, in the Chair)

So the new landlord should not be penalized for actions taken years prior to him assuming the property. Now, if the length of time to search back is too short, which I think may be the issue the member is trying to address, that two years is not a long enough period to go back and search, then maybe that two years could or should be changed.

I am not adverse to looking at that. What I am saying in this instance is that the period identified is two years and the law that is in place to cover this situation prohibits us from taking action.

**Mr. Cheema:** Mr. Acting Deputy Chairperson, can the minister tell us how it is possible that the minister has said it is occurring very rarely? How do we know that this is the only place with problems like this occurring? It could happen in many places. It could happen for many homeowners, who could rent the property three times or four times in one year, and there is a changeover of the tenant, it can happen.

The question is fairness. I think if we do not address the basic issue here, I do not think we are going to be satisfied. I told you that day—that was last week—that I am not an expert in this area, but something I have read and I have a major concern with, we want to have a problem solved. It is not just going to disappear and say, well, we have a legal opinion. The legal opinion is by one individual group. Why cannot we have some decision process where the legal opinion can be taken to a tribunal or the board members where it can be given the opposite argument?

I mean if you want to have a legal opinion about something you want to happen, the way you would like to think, it is very possible. Simply I am saying that is unfair, specifically when people have been there, and they have paid rent more than they have to and they have no place else to go. They have gone to you, they have come to us and they have gone to the lawyers, but their problem is not solved.

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, I just first of all wish to clarify that I did not say that we have had no other concerns of this nature. I said that fortunately this is not a concern that we hear very often. I have checked with staff and indeed we have not heard any other complaints of this nature,

so that does not mean there are not complaints out there that exist. They have not been brought to our attention if they do. We do not shop for legal opinions. We have legal counsel assigned to the department who provides us with legal opinions.

What we find a little unusual in this case—and indeed quite unusual in this case—is that this issue was not brought to our attention by virtue of a complaint from a tenant at the time or indeed during the two years, or indeed immediately thereafter. It came up many years later and was brought to our attention. Now, I do not know how far back the member wishes us to go. I reiterate again that the legal opinion we have received indicates that we can only go back two years prior to the date of the new landlord acquiring the property. It is felt that during that two-year period most tenants having a concern would indeed come forward. Indeed, most tenants with a concern about rent increases come forward very, very quickly. So this not only did not take place during the two years, it did not take place for sometime after until recently when a particular individual known to the Liberal critic did indeed come forward with this concern.

**Mr. Kevin Lamoureux (Inkster):** Mr. Acting Deputy Chairperson, I am trying to get a better idea in terms of how big of an issue this is. I know the member for The Maples (Mr. Cheema) has brought forward a particular case, and the minister makes reference to the fact that she is not aware of anything that has come other than this particular case, but she has been the minister responsible, I guess, for the act now for less than a year. I am wondering if there is not only this information but additional information that the Department of Housing, like, how that transpired. When the minister says that her department is not aware of it, is she just referring to since she has had the portfolio? Is she referring to it as a concern that no doubt would have been out there when it was with the Department of Housing?

\* (1500)

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, I am advised by staff that, no, there have been no complaints on this issue until recently. That complaint came on this one particular issue that was raised to the member for The Maples (Mr. Cheema) by the particular individual who brought the matter forward.

**Mr. Lamoureux:** I think that it would be somewhat rare for an individual who is moving into a rented facility to have an excellent background knowledge as to when it would have received rent increases and so forth in the past. It gets additionally complicated when you have landlords who have sold the building or there has been a change in landlords. Does the government have any idea other than just this one particular case is, if this occurs, but we do not have the tenants coming forward to express that particular problem. Does the government have any idea in terms of, is this at all a problem? Does she foresee it to be any sort of a problem, a loophole or something of that nature within the rent increase guidelines?

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, I am advised by staff that in the approximately 10 years that The Residential Rent Regulation Act has been in place, this is the only situation of this nature that has been brought to the department's attention, and it is not perceived to be a problem in a general sense.

**Mr. Lamoureux:** So that I can get the record fairly clear for myself, the minister or the government then is of the opinion that—who is responsible? Who should be footing the bill? Is it the current landlord? Is that what the legal opinion is saying? Would the minister concur that it should not be the tenants, that it should be the original landlord?

**Mrs. McIntosh:** Yes, Mr. Acting Deputy Chairperson, our advice, our legal counsel's opinion on this issue is that we cannot go back beyond two years. Let me explain again. The purchaser, the new landlord, the one who is considering acquiring a particular piece of property has an obligation to provide the branch with information going back at least two years as to any monies that might be outstanding, any bills that might be unpaid, and any rent increases that have taken place that may not be legal rent increases, i.e., not approved or something of that nature, a listing of the rents charged. A better way to put it would be, he puts in a listing of the rent charged for the two years prior to taking the purchase. So he would indicate that the rent in such and such a year was X, the rent the next year was X plus so-much percent. That percentage would either have to comply with the rent regulation guidelines or have been one that was approved by the branch.

The landlord in this instance complied with the law, submitted those. There had been no rent

increases taken in the previous two years that did not comply with law. There were no monies outstanding for those two years. Hence, the landlord assumed the property in good faith with the assumption that the rents that were being charged were rents that he, in turn, could also charge.

The tenants had that two-year period in which to come forward to indicate if they felt there were any irregularities in their rent increases or in the rent that they were paying for the rental units that they had just moved into. All tenants moved in accepting the rents that were there without question. We are advised that, according to the way the act is, we cannot go back past that.

Now, if the member is suggesting that the tenants who did not come forward in those two years or who, upon moving into the apartment did not question the rent they were paying, should now get their rent rolled back because the new landlord may, in fact, be receiving rents from an increase that was given many years prior to his assuming the building, that was never approved, that he did not know of, then what the member is suggesting is that the act should read back maybe 10 years or 12 years, or 50 years or five years or six years, some other year more than two years. What I am saying to you is that may be something that should be done, but the current act says two years, and we must obey and abide by legal counsel and the wording of the act.

**Mr. Lamoureux:** Mr. Acting Deputy Chairperson, I appreciate the minister giving a well-detailed answer on that. It calls into question, in terms of what the minister then really is saying, as the tenants, because they moved in and did not know that there were increases that exceeded the guidelines, if you will, in previous years, that they really do not have any recourse according to this minister, nor should they really expect it because the legislation does not allow for it.

I am wondering in terms of what is there or is there anything in the legislation that prevents something of this nature from happening in the future? I started off by saying that there are tenants, when they go moving into an apartment block, do not necessarily go and find out every instance when there was a rent increase.

It is quite the onus to have to put on a tenant, and we are not suggesting that it should not be on the tenant, but I would suggest to you that the government's response that the tenants are really

the ones who unfortunately will have to cover the cost of this particular instance. What I am saying is that really what the government is trying to say is that the tenants in this particular case are the ones who are going to have to pay for that unjustness.

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, what I am saying to the member, and I will say it again, is that I am abiding by the interpretation of the law as written in the Province of Manitoba, which I think as minister I have an obligation to do.

**Mr. Lamoureux:** Yes, the minister is obligated to do that, but as a minister she is somewhat obligated to look after the interests of both landlords and tenants, and where there could possibly be some positive change that the minister not rule it out, even though the department itself might not necessarily feel that it is a large enough issue that has to be addressed. As I alluded to, the tenants are really the ones who are losing out most by this, because unfortunately they did not do their homework, I guess.

In respect to landlords, what is in place or what action can the government take if the government finds out that a particular block or a particular rental unit three years ago had a 6 percent rent increase? It can be just as small as an independent home, a single family dwelling that is being rented out, whether it is was 6 percent increase three years ago, is there anything that the government can do about it if they were to find out about it today?

\* (1510)

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, where no purchase is involved, then the department can go back as many years as they want. The only time the two-year search is required and the only time the two-year time limit is imposed is if there is a change of ownership. Without a change of ownership, the branch can go back and search three, four, five, six years and have the rents corrected for the tenants.

It is only where there is a change of ownership that it was deemed wise some many years ago to pick a time in which the purchaser would have to go back and trace. Otherwise you make the purchaser responsible back to infinity or to the beginning of the time that the building existed for what landlords and previous landlords and previous landlords and previous landlords did, and you know, as the member for Inkster (Mr. Lamoureux) said, they wished to be fair to both landlords and tenants. That

is what I hope the act does is be fair to both sides of the marketplace, not just one side of the marketplace.

**Mr. Cheema:** Mr. Acting Deputy Chairperson, can the minister maybe refer back to her own law in terms of Section 34(2), "Obligations of new landlord"? It clearly states that: "Where the right, title or interest of a landlord in residential premises is acquired by a new landlord, all duties and obligations arising out of the payment of excess rents paid by tenants of the residential premises become the responsibility of the new landlord . . . ."

I do not want to read the whole thing here, but I mean, if you accept that, then why for the last two years have you not gone back and rolled back those rents which were illegally increased?

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, as indicated, Sections 34(1) and 34(2) must be read together, as you know many laws are. They all have clauses that taken in isolation they have to be read in conjunction with other clauses. I think if you read (1) and (2) together, you will see that interpretation that has been given to us by legal counsel. As I indicated before, this is a problem that in the history of The Rent Regulation Act has been brought to our attention once by your friend, by the person you know, not that long ago, and is brought to our attention many years after the fact. I say to the member, how far back do you want us to go?

When there is no purchase involved, we go as far back as we need to, to ensure that an existing landlord has not put in a rent increase that has not been approved. We do not know in this instance if the rent increases, had they been applied for, would have been approved or not. They are illegal in the sense that they never got approval. We do not know that they were illegal in the sense that the work that was alleged to have been done got done or not done because it was never applied. No one was asked to come out and check to see if the renovations had taken place. They were not approved, which means they were not approved increases and they are supposed to be.

**Mr. Cheema:** Mr. Acting Deputy Chairperson, can the minister then tell us, as she has just said, that you know the department is not aware of whether that was really illegal rent, so you are basically disputing all the residents who live there and who have basically asked and made a plea that their rent was increased on the basis of, and information they

are providing? I would trust them; I am not going to trust somebody else. I will trust the people who have paid the rent for the last so many years, and whether somebody else took their money and ran away and then you have a new landlord, but still those are the individuals and I do not wish to question their integrity because basically I just want the minister to clarify that. It could be taken that those people are not telling the truth.

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, I am saying that in terms of the rent increases not being proper rent increases, I am not saying that the increases are illegal rent increases, using that word, because it has been proven that renovations were never done. I am saying that they were considered to be unauthorized rent increases because approval was not sought for renovations which may or may not have been done. We do not know, because approval was never sought for those rent increases, nor did tenants come forward to speak to us about them at the time, so we do not know. We just know that no approval was ever sought.

**Mr. Cheema:** Can the minister tell me then, even if we say that your legal opinion is 100 percent right, what have you done for the last two years in terms of dealing with this situation?

**Mrs. McIntosh:** The rent increases for the last two years have been legally approved.

**Mr. Cheema:** The rent has been approved on the illegal entries in the past, so why have not you taken steps in terms of at least correcting the problem? You recognize the problem is there and legal counsel recognizes the problem is there, why not correct the situation? Why do we have to wait for somebody else to make the same mistake?

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, let me repeat again, maybe I am not expressing myself clearly. We cannot take any action in this instance according to the legal advice we have been given because there has been a change in ownership. Some years ago, the landlord who purchased the building went back in time according to law, those two years that he was obliged to do, to check out increases, to check out if any money is owing.

There had been no unapproved increases in that two-year period. There had been no monies left outstanding when he assumed ownership of the building; therefore, he purchased the building assuming that he had the right to continue charging the rent that was being charged.

**Mr. Cheema:** As I told you from the beginning, I am not exploring, I am simply seeking some clarification. I am making sure that if, as we see—and I should not say "if," the problem is there, and there has to be some method of correcting the problem. This is only one situation, where the one large block was under this kind of manipulation, but there could be others in terms of single homeowners or single dwellings where similar things could be done. It is very easy to do. We do not expect consumers to be well informed when they do not know what is happening. For example, if I own a house and I want to rent it, every three months I could sign a lease and get a new tenant, so every time my basic rent can go up.

I mean, how can we say that this problem does not exist in Manitoba? It could very well be there. So I just wanted to make sure that something is being done at least to notify those individuals and try to make a regulation that people would know that. I mean just painting one wall of a house, he is not going to have the basic qualification of renovating the whole building or renovating the whole structure. I mean these are very minor things. Spending \$40 on one wall and making \$200 in about a year is a lot of difference.

So basically these things can happen. I mean somebody can put a lock on the door and say, I have corrected some of the problems so I am going to increase your basic rent, because the quality of the premises has increased. So those are the very right issues. I just wanted the minister to look into that and make sure that we can bring something to correct the problem, if not this session—we are already late—but it should be done in the next session and the minister should make a commitment.

\* (1520)

I mean we are not criticizing her, she just came a year ago. The previous minister of the NDP government was almost sleeping on the issue. In '84 and '87, they were basically sleeping on the whole issue, but you have known this for two years. You have a legal opinion. We have asked you questions. The consumers, who are in this process, they have asked you questions. So basically why not fix it if there is a problem, and there seems to be a problem? You are in agreement, your department knows there is a problem. We know there is a problem, so they must be answered, and we are asking the answer from your experts.

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, if you did those things that you indicated in the opening of your remarks that you could do and get away with, let me assure you that if you were discovered you would not get away with them. Because if there had been no change of ownership and you were hiking rents and were not getting approval, we would not have to stop at a two-year prior search. We could go back three, four, five, six years, as long as you have owned that building, and we would.

I must reiterate that rent regulation has been in place since 1982, '83, somewhere in there, about a decade, 10 years. This issue is the only one of this nature that has been brought to our attention in that 10 years. I do not think the original drafters of the legislation did such a bad job on this particular issue if this is the only concern that has come forward in all that time of this nature.

**Mr. Cheema:** Mr. Acting Deputy Chairperson, I do not want to irritate the minister and upset her, but certainly I think the issue is important, and as long as we can try to get more clarification and explanation and make sure this can be corrected, and that is the whole intent here.

Can the minister tell me what is the other mechanism in terms of, if we accept this legal opinion as I said, and then we cannot trace the previous landlord and we cannot punish the present landlord because he is protected by that. The present landlord is protected, because within Section 32(4) the landlord is protected, so what is the final appeal mechanism? Does the minister have the authority to make some decisions and make sure something unjustifiable was corrected?

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, the option that would be available, should the member feel the two-year period is inadequate, would be to put an amendment to the act to put it back to four years or five years, but then you would find, I think, the same situation. Sooner or later, an issue would come along where someone would say, ah, you only go back 10 years and this issue that I am affected with happened 11 years ago, so you better change it to go back to 11 years, and you better make sure that it is the owner before the owner before the owner. At some point in a situation where ownership change has taken place there has to be a cut-off point beyond which the new owner is no longer liable for the sins of those who went prior to him.

**Mr. Cheema:** Mr. Acting Deputy Chairperson, I do agree with the minister, there has to be some limit, but basically what we are asking is for her to seek some more clarification and legal opinion and come up with an amendment. Try to make sure these problems can be corrected, and something can be done to teach consumers so that they are well informed.

It is very tough for somebody to within two minutes be an expert in Consumer and Corporate Affairs and know all the rules and regulations and read the whole act, but I think they should be at least well informed and their rights should be protected. Basically what we are saying is that the individual's rights must be protected here, if somebody who owns the property and should not be taking advantage of situations. Situations, as I explained, can be very good, if they are practical problems. I just want the minister to take note of those, our comments, they are not coming from basically political experience, they are basically coming from the concerns, and I am sure when more individuals know about these cases, who knows, it could be more than what we know. So I will ask the minister to look into this situation, and next session, please bring the amendments.

(Mr. Deputy Chairperson in the Chair)

**Mr. Deputy Chairperson:** Item 2. Consumer Affairs (a) Consumers' Bureau: (1) Salaries \$914,100.

**Mr. Reg Alcock (Osborne):** Mr. Deputy Chairperson, I would just like to take advantage of this opportunity for committee to ask the minister about an issue that was before the committee and before the department during the passage of the bill and has been raised with me since, and that is this question of how capital is included in the calculation of rental increases?

Specifically, there are provisions within the regulations that allow for the assigning of depreciation allowances that they will flow through the capital increase, allowing a rental increase above the guideline in order to take into account the renovations and repairs and the acquisition of new equipment and such for a facility. There is a set repayment period allowed for that?

The question has always come up, with certain items of capital that are in need of replacement, why, when the piece of equipment lasts longer than the write-off period, do the rents not go down again?

Why is that amount incorporated in the base rent then and then we build on that in subsequent years?

**Mrs. McIntosh:** Yes, Mr. Deputy Chairperson, I am advised that when the rent regulations that go with the capital expenditures, the depreciation, were set up, the landlords do not have the interest on that. They have to put the money all up front. They will have to purchase a \$1,000 item for a \$1,000 and pay for it, and then do not have that interest as the time period goes on throughout the depreciation.

It was felt that the three-, four- and six-time-year periods would balance off and leave the landlord in a net fair position at the end of the time of the depreciated period. Then the rent would not go down at that time in an effort to balance off and create fairness.

**Mr. Alcock:** Mr. Deputy Chairperson, so if I understand the situation then, the issue is recognized in that there is no reduction in base rent as a result of these increases, which are allowed in response to specific actions on the part of a landlord, but it is felt that the interest is high enough to justify maintaining that base rate. As I recall, I think, for a capital purchase such as a refrigerator or a stove, it is a five-year write-down?

**Mrs. McIntosh:** At the moment, the regulation says six years for that particular capital expenditure.

**Mr. Alcock:** Refrigerators, in a number of the cases that we looked at, when they were being replaced, were having an average life of some 20 years, and a six-year depreciation is about 18 percent a year. Is that not a rather usurious rate to allow a landlord in perpetuity?

\* (1530)

**Mrs. McIntosh:** I sure wish my fridge did last 20 years. I just want to indicate to the member—it is questionable that all fridges last 20 years, is the point, I guess, because I certainly just had one that did not last anywhere near that long, but the member has to realize the way rent regulations work and what the purpose of rent regulations is.

Rent regulations were put in to control the marketplace, and in controlling the marketplace and regulating the marketplace, you have rents going along on a certain line. There are regulations attached to those controls where you will have little hills and little valleys going along that line all the time. The idea is to ensure that those hills are never too high or those valleys too low, so regulations will be drafted.

This is one regulation that is drafted to try to take into account how to balance off some valleys with some hills so that you still have incentive there for people to go into the rental property business, to provide housing, to provide rental accommodations to people in the marketplace and to maintain and keep up those particular premises.

If you want to put in regulations that are so restrictive that landlords will have no incentives to go out and purchase new refrigerators or replace drapes or fix up frayed carpeting, then we can go along the route that I think you are implying, but I would suggest to you that if you do that, there is no incentive in there for landlords to try and upgrade their premises or even, in some instances, to maintain them in a manner that tenants require or deserve.

So you will find regulations that in some instances appear to give a slight advantage, after a certain period of time, to a tenant or conversely, the other way, to a landlord in order to provide incentives, in order to provide a comfort to proceed in certain directions in co-operation with each other, but overall, the rent regulation control guidelines are to have this line through which a wavy line goes that has no sharp peaks and no deep valleys.

**Mr. Alcock:** I certainly agree with the minister both on the life of refrigerators and the need—no system is perfect, and there will be variations in any system that you bring in. However, when this was looked at in some detail, as it was just prior to the passage of the last bill, what was noticed was that in older buildings with consistent management over a period of time, the gross profit of the owner was not going up and down in this wavy line manner but was consistently moving upwards as the owner took advantage of this rather generous capital cost allowance to continue to build the base rate well in excess of the guidelines.

There had been a suggestion made by one of the members of the branch that there was a target for gross profit. In this particular case, it had been exceeded, and that difference was growing, not exceeded for a period of time, not below for a period of time, but in fact moving in one very lock step direction.

I guess I would ask the minister—while I do not dispute the need for balance at all. I think we have had one of the better rent regulation processes in North America, certainly when you look at what is

happening in rent controls in other parts of the continent in particular and seeing the rather disastrous impact it has had on the creation of new properties and on bringing in line new properties.

However, there is this one anomaly that was not addressed in the act, in part because the problem lay in regulation. I am not certain whether that problem has been solved yet, and I am not certain whether the minister's remarks address a solution to this particular problem.

**Mrs. McIntosh:** Yes, Mr. Deputy Chairperson, the member is implying that there is a problem and that it requires a solution. Maybe there is where our differences lie. I may not agree that there is a problem that requires a solution, so we are probably coming at this from very different approaches. The member had said, as he started his comments, that he had looked at gross profits during the evolution of the new act and indicated that some people—he did not name them—but he is obviously seeing books that I am not seeing. I do not have privy to looking at books as to who is making gross profits or undue profits or, you know, taking advantage of people to line pockets. I have not seen those figures.

I guess the other point that should be made is that we do not, in setting guidelines and rules and regulations for the marketplace, set a cap on profits. We do not say, for example, to the side of the marketplace that is the landlord's side, you are only allowed to make X number of dollars profit a year or X percentage of profits a year. In fact, that is not a question. We look at what is fair for the marketplace. What is a fair rent guideline, for example, this year for tenants to be expected to pay?

Last year when we looked at that, it was determined in the final analysis that 3 percent was a guideline that was a fair rent increase for tenants to pay. Now, we did not go to landlords and say, will 3 percent give you a big profit or a small profit or an in-between profit? We determined that was a fair rent increase for tenants to pay according to the guideline. So I am not quite sure what the member is talking about when he talks about the gross profits. I can only say that I do not know what kind of profits any particular landlords are making, and I cannot respond to his indication of knowledge in that area.

**Mr. Alcock:** Mr. Deputy Chairperson, I thank the minister for that remark. If I understood her

correctly then, when one is looking at the operation of a block and the costs of operation and all of the costs associated with the operation of a series of rental units as one does when one makes a determination on what size of increase will be allowed—I mean, those figures come out of the documents that are submitted to the department when they make those kinds of determinations, so they are there. It was believed at one time, now I am not the final word on this obviously, that there was an allowance—if the gross profit, that is the profit before mortgage payments and the like were paid but after operating costs were taken out, was in the order of 49 percent of the total, that this was considered to be acceptable and that in successive years we have seen that level exceeded.

I mean, the reason I raise this at all is that the minister made this comment about this wavy line, you are up, you are down, you are up, you are down and you eventually end up somewhere. In the experience that we have had in the blocks that we have looked at over here it has been steadily upwards. The profitability of those units has been increasing, and despite that, and this is really the question, despite the fact that the buildings are more profitable today than they were even two or three years ago, they are still being allowed rental increases in excess of the guideline.

**Mrs. McIntosh:** Yes, I would like first of all to ask the member what the rate of profitability is or should be, but I also would like to indicate that if profits are so high, why are we not seeing increased sales of buildings? Why are we seeing such a high—there is a high vacancy rate in the buildings. Buildings are not turning over. Landlords who are attempting to sell their buildings, and there are many, are finding very great difficulty finding customers for those buildings. I think that, you know, maybe with interest rates coming down on buildings it might help a little bit to spur the whole housing market, not just rental units, but private units as well. Certainly that has not been a trend we have seen in the last year or two.

\* (1540)

**Mr. Alcock:** Well, I am sorry that we have taken the discussion in that particular direction. If we want to debate economic performance in this province, we can for some period of time. I was simply asking the question about how the department went about determining when a rental increase was appropriate?

If the minister does not have an answer for that question, she can say so.

**Mrs. McIntosh:** Yes, I would be pleased to address that. I just wanted to get the ad-lib preamble address, because I think sometimes the preambles are—you know, if you are wanting to drag Estimates out, that is a good way to do it is to put in those kinds of preambles. Not that I am suggesting that you are wanting to drag Estimates out at all, but I would be pleased to come back if you would give me just a minute with an answer on that, because I see a signal. [interjection]

Yes, I overheard that one comment just now, and I was delighted to hear it. It was just so opposite to what I heard the other night that I am very pleased you have changed your mind on that.

The member is probably aware, having done the research that he has done on this issue, that the rent guidelines arise out of a formula. The formula does include things like operating costs, capital costs. There is an economic adjustment factor in that formula, which is the only part of the formula that allows for a small bit of flexibility. That small bit of flexibility is very small indeed.

At that point then, people could look at efficiencies and that type of thing. Definitely operating costs, capital costs and so on are in a formula that is set aside and put into use each year as the rent guidelines are decided. Those landlords and/or tenants who do not like the guidelines can appeal and do appeal. We find on average that about 5 to 10 percent of the landlords and 5 to 10 of the tenants will appeal a particular guideline.

I think the guidelines are very well pegged, because in most cases, for example, landlords appealing, it is a very small percentage who do appeal. Only 5 to 10 percent appeal, which is a very small percentage. Those have a high rate of winning those appeals, because they do not tend to come forward unless they know they have a solid case they can win.

They will usually come forward with very legitimate grounds to say, well, you said I can only charge a 3 percent guideline but here is something that happened in my building last year that required me to have to expend more than you have indicated in your formula. The department will say, we will look at that and determine whether or not that is a legitimate factor to be taken into consideration and



may or may not grant an appeal for an increased guideline.

If the tenants do not like that increased guideline, if the department says, well, you do have a case to be made, you should be allowed to charge more than the 3 percent because of this peculiar circumstance of yours, if the tenants object to that, they in turn then have the right to come forward and say no, no, no, you know, the landlord said this. However, we want to point out this other factor, which may then have the department saying, well, then 3 percent is all you are going to get.

**Mr. Alcock:** I think, at least in the ones that I have been involved in, the process is initiated by the landlords to the extent that they make it a decision to apply for a rental increase above the guideline. That 5 to 10 percent of landlords and tenants tend to be more tightly locked. I do not recall a single case that I have had where a tenant has appealed an at- or below-guideline rent increase. Can the minister tell us whether there have been any?

**Mrs. McIntosh:** I am just checking to see. Yes, I am pleased to advise the member that, yes, indeed tenants have requested appeals when the rent guidelines are at or below the guideline.

**Mr. Alcock:** Mr. Deputy Chairperson, how many appeals were there in total this year?

(Mr. Bob Rose, Acting Deputy Chairperson, in the Chair)

**Mrs. McIntosh:** This past year, in total, 809. Do you want more information than that?

**Mr. Alcock:** Mr. Acting Deputy Chairperson, yes, I would. I would like to know, of the 809, how many of them were appealing increases above the guideline.

**Mrs. McIntosh:** Our information is not recorded with above guideline or below guideline. It is not recorded in that way.

**Mr. Alcock:** Mr. Acting Deputy Chairperson, I am curious. I made the statement that in my experience no one that has dealt with me has ever appealed a rental increase that was at or below the guideline. However, the minister said that a lot of people did, and I would like to know, of the 809, how many did?

**Mrs. McIntosh:** Yes, Mr. Acting Deputy Chairperson, of the people the member for Osborne has dealt with, he has not had this experience. I do not think he has probably dealt with quite as many

people as the branch have dealt with. They do, in their memory, have the experience of dealing with tenants who have appealed decisions that are at or below the suggested guideline.

What I do not have for the member is the exact number that were acted upon in this way.

**Mr. Alcock:** Mr. Acting Deputy Chairperson, I do wish to assure the minister that there is no question about that whatsoever. The department does deal with more rental appeals than I do, thank God. I find, for the most part, the department deals with them quite efficiently, effectively and that the staff are, by and large, quite helpful as people are trying to access information.

What I am wanting to know—and I understand the minister saying that she does not have this information, that she knows that somewhere in the memory of the department somebody actually appealed a rental increase that was below the guideline, but she cannot tell us how many of those took place in this 809. I suspect that this is such a trivial point that we should not spend a whole lot more time on it.

\* (1550)

But then let us come at it this way. Of the 809 that she does know something about, how many of them were initiated by landlords?

**Mrs. McIntosh:** The 809 is the number for landlords. The total number—and I am sorry if I just gave the total number for landlords if you were looking for the total number for all appeals—for all appeals was 1,300, and the total number for landlords was 809.

**Mr. Alcock:** Now, that 809 initiated by landlords, when a tenant—I mean, a landlord will come in and say, I want an increase above the guideline and they will serve notice to the tenants in the building within a certain time frame that they are about to do that. When the tenants say, yes, we wish to appeal this, is that counted within that 809 cases or is that over and above? Is that part of the 1,300?

**Mrs. McIntosh:** That 809 is from the landlord. There were 357 from tenants, and there were 147 that fit the situation you describe. It is from both parties for the same unit of appeal.

**Mr. Alcock:** Then the 357 from tenants, would they be appealing increases over the guideline?

**Mrs. McIntosh:** They would be appealing the increase as applied to them either below, at or

above the guideline, whichever it is that they are wishing to see changed.

**Mr. Alcock:** Let us just leave that one for one second to come back to my original reason for going into this line of questioning, but I find that kind of interesting and I will come back to this 147 in a minute. The 809 initiated by landlords, how many of them were successful?

**Mrs. McIntosh:** I do not have the exact number that the member is asking for here, but I can tell him that it is in about 80 percent that are successful in their appeal. About 5 percent of the landlords appeal, and about 80 percent of that 5 percent are successful in their appeal. I do not have the exact figure here. It is not broken down quite the way he has asked for the information, but I think that general ballpark figure may give him the feel that he is looking for.

**Mr. Alcock:** Of those, how many of them are asking for an increase above the guideline because of capital improvements for renovations?

**Mrs. McIntosh:** We do not keep the appeals listed in that form.

**Mr. Alcock:** But you do have that kind of information because when they file an appeal the—

**Mrs. McIntosh:** That could be done via a manual search of each file because that information would be part of the record. It would require a manual search of each file to pull it out.

**Mr. Alcock:** Do you want to recess while we do that?

**Mrs. McIntosh:** We would let the Estimates clock keep ticking?

**Mr. Alcock:** Sure. I am actually interested in that, and I realize that we are not going to get to that answer today. I am wondering, though, rather than belabour things here on this particular point, whether the minister would undertake to provide me with that information at such time as she has been able to assemble it.

**Mrs. McIntosh:** Would the member be good enough to clarify for me exactly what he is looking for? My staff is here, and I will ascertain to provide that for him, but I would like to be just a little clearer on exactly what it is he would like us to pull out of the files.

**Mr. Alcock:** Mr. Acting Deputy Chairperson, the minister has stated there were 809 requests for increases above the guideline, initiated by landlords

in the last year, and what I would like to know is, of those 809, how many of those requests for increases were justified on the basis of extraordinary capital costs, re-equipping, capital improvements, renovations, painting, et cetera?

**Mrs. McIntosh:** For clarification, do you mean that their appeal would be granted just on this with no operating costs or—?

**Mr. Alcock:** I would like to know: In how many of these 809 was the request made where the capital improvements, ones that are subject to the depreciation allowances that we have discussed already, that exist in regulation, were a factor in the request for the above guideline increase?

**Mrs. McIntosh:** Were a factor but not the sole determining factor?

**Mr. Alcock:** I want to know what the landlord cited, as opposed to what the decision was of the department.

**Mrs. McIntosh:** I think that my deputy has that written down, and we will endeavour to get you that information.

**Mr. Alcock:** Mr. Acting Deputy Chairperson, to come back to the 357 tenants who initiated an appeal without the landlord's having issued a request. If I understand this correctly, what the minister is saying is that 357 tenants appealed their rental increase without the landlord's having requested an above-guideline increase. Is that correct?

**Mrs. McIntosh:** Mr. Acting Deputy Chairperson, those 357 tenant appeals are the appealing of decisions based on a decision for a rent increase that would be at or above or below the guideline, and initiated by the tenant who does not like the particular rent increase for whatever reason, and there are many reasons.

**Mr. Alcock:** So of the 357 these would be rent increases that the landlord had sent out a notice saying: the guideline is 3 percent; I am charging 3 percent. A number of people would appeal that increase, even though it was at the guideline. So that would account for some of the 357.

**Mrs. McIntosh:** It could be, yes.

**Mr. Alcock:** Now, for rent increases above the guideline, to have the landlord in a position of charging a rent increase above the guideline, the landlord would have served notice of their intention to do so?

**Mrs. McIntosh:** Yes.

**Mr. Alcock:** But in this circumstance, you are saying that the landlord would not be part of the 809, because the landlord may have been granted it by the department and is not appealing it? They are quite happy with the department's position on their rental increase, but the tenants say: No, we think this is above the guideline, so we want to appeal this? That is why they are not, also, relating to the same landlords. Presumably, these 357 people are dealing with landlords that are other than the ones in the 809 appeals.

\* (1600)

**Mrs. McIntosh:** Those 357 are not necessarily responding to the 809.

**Mr. Alcock:** Just to clarify this, as I understood, the previous answer was the 357 were not part of the 809, that there were 147 that were. These 357 are initiating appeals that have nothing to do with the 809 landlords. So they are initiating appeals, presumably, in disputes or discussions with other landlords.

**Mrs. McIntosh:** That is correct.

**Mr. Alcock:** Now, before I finish this, just to clarify, when we say that there have been 809 appeals by landlords, when you count an appeal, if a building has 50 units, does that count as 50 appeals, or are we talking about 809 separate buildings?

**Mrs. McIntosh:** Yes, the landlord appeals the number of units. If he has a 50-apartment building, then that would be 50.

**Mr. Alcock:** So conceivably if there were an 809-unit building in the province, we might have only one landlord who is being contested here?

**Mrs. McIntosh:** That is right.

**Mr. Alcock:** Similarly, with the 357, those could be a group of tenants having got together within one building, that are contesting that they get counted in that fashion?

**Mrs. McIntosh:** Yes, I am advised that could be so.

**Mr. Alcock:** Now, of those 357—

**The Acting Deputy Chairperson (Mr. Rose):** The honourable member for Osborne.

**Mr. Alcock:** Thank you, Mr. Acting Deputy Chairperson, I am sorry. I do not mean to rush, although I am trying to expedite the process, as is my practice in the House to try to move things to help the government along as quickly as I possibly can.

(Mr. Deputy Chairperson in the Chair)

Of the 357 then, the minister has made the case that a portion of those are appealing—the landlords sent them a notice saying it is 3 percent; we are charging you 3 percent. They do not like that, and they are going to appeal it. A portion of them are saying the landlords sent them a notice that the guideline is 3 percent and they are raising it by 10 percent, and they are saying they do not like that and they are going to appeal that. A portion of the landlords sent them a notice saying, it is 3 percent, but he is only going to charge them 2 percent, and a portion of them are appealing that.

Can you divide that 357 up among those three groups?

**Mrs. McIntosh:** It is technically possible, but staff would have to go back to source documents. While it is possible, I do not think it is probable that it would occur.

**Mr. Alcock:** Oh.

**Mrs. McIntosh:** I do not think people would come forward with that kind of request.

**Mr. Alcock:** That gets back to my opening statement on that particular point. You are going to give me the stuff on capital. A second area that came up in at least two appeals that I was involved in, was this question of improvements, capital improvements, to a building or unit or whatever. The question came up about the nature of the relationship between the landlord and the person supplying the repairs.

For example, in one instance in particular where the tenants had done an enormous amount of work, what appeared to have happened was that the landlord had contracted for a considerable amount of repairs—repairs to the roof, painting, repairs to the lockers, parking lot, all of that sort of thing—had contracted for that work, had been billed for that work, and had paid for that work. Those payments, those receipts were part of the evidence that was supplied in support of this rather large rent increase, but the person who had billed the landlord was the landlord himself, in another company, where he had basically hired himself as the contractor to do all this work. There was a great deal of question about the legitimacy of that, particularly since the amounts charged for particular items did seem to be somewhat out of scale.

I am wondering whether or not it is a policy of the department to prevent such practices or whether

that is a circumstance that both arises more than this one unusual circumstance basis and is encompassed within department policy?

**Mrs. McIntosh:** I should indicate first of all that, no, we do not encourage landlords to bilk the tenant, so to speak, which is what you are implying. It is not a policy of the department to encourage the landlord to bilk the tenant. I do not think it ever has been the policy and it will never be the policy, and nor do we encourage tenants to abuse landlords. So let us get that clear.

Then I will say that we do permit landlords to do work for themselves in terms of painting the building or whatever the renovations or chores were. The only thing the department stipulates in their examination of the papers in the background that comes forward is that the amounts must be accurate and they must be fair and reasonable in terms of marketplace prices.

Similarly we will allow sweat equity, for example, of a new landlord who is doing, not necessarily a new landlord, but of a landlord who is doing his own repair and is—pardon? We will allow that sweat equity, it is not a very large amount that we will allow, but we do take it into consideration because that is labour performed, for which if he had to hire someone from outside, he would have to pay a certain wage.

**Mr. Alcock:** I will forgo rising to the minister's responses. I am pleased to see that the department is operating on the side of truth and beauty, and I suspect it always was the case.

**Mrs. McIntosh:** Pleased to hear you acknowledge that.

**Mr. Alcock:** The question, the real question here is, on what basis, what scale do you apply to this? In the one case in particular that I spent a great deal of time on, the amounts billed by the company were quite out of line with the amount you could purchase the goods for, and evidence was produced to that effect. The amount that you could contract with somebody else—I mean, I could understand if a landlord goes out and says, well, I got this quote from X painting company and they are going to charge me \$1,000 to paint it, and I am prepared to paint it for \$800, but I want recognition for that. I have no difficulty with that.

What I have difficulty with is when the company says it will paint it for \$1,000 and the landlord paints it and charges you \$2,000. I am wondering about

the steps that the branch takes to determine the acceptability of the charges that are made?

**Mrs. McIntosh:** I first have a question for the member and then I will provide him with the answer. This was one case that you worked with where the amount the company charged was excessive. I am just wondering what action was taken at that time?

I am presuming that if you were working with this case, and the amount the company charged was excessive, that you took some action on behalf of the person excessively charged. I am curious to know what the department did when you went to them with this particular case and gave them the specific details. How did they respond in that instance? I would be interested in knowing.

**Mr. Alcock:** They allowed the landlord the increase, despite the fact—I mean, just to go through it a bit, because it surprised me. It was one of the early cases shortly after I became elected. I was approached by a group of tenants in a small block that, as it turned out, a couple of them had been there for quite a long time. The block had recently changed hands and the new landlord was renovating. As it also turned out, one of them was a law student who had a great deal of energy, and together they actually went down and they made lists of all the stuff, all the door handles that were put on and all the wood that was used and they actually went and priced it all at local suppliers. The tenants went out and asked painters to give them quotes on what it would cost to paint the areas that were painted or repair the roof, et cetera, et cetera.

\* (1610)

In virtually all cases the amounts charged by the landlord, I felt and certainly on the evidence now charged by the landlord in his guise as repairperson to himself and his guise as landlord of this building, were well above the rate that you could access a similar service for. This was pointed out to the department I thought rather clearly. Yet, I believe now, just to be absolutely fair on this point—I do not have the file in front of me—that one unit in the place got a slight decrease in the rent. It was a three-storey walkup, and I think one basement unit got a decrease in the rent. In all other cases, the rent increases were allowed and it surprised me. I was started at the time.

**Mrs. McIntosh:** Mr. Deputy Chairperson, I would be interested in receiving more specific details, you know, something a little more specific than just "way

more expensive than," which to me what is "way more expensive than"? It really does not tell me anything. But just in answer to your question, the way in which we would determine the costs are exactly the way in which you describe in that we would go out and we would ascertain the real costs.

I am very surprised here that there was this great discrepancy that you describe, and only one rental unit having the rents adjusted given the factors as you describe them. The only thing I can say, not being familiar with the case—when it was, where it took place, or any of the details except for the generalized comments you have made—is that obviously the people obtaining the costs, your law students obtaining the costs, must have gone to a different store than our department obtaining costs and there was a disagreement over the facts or a dispute over the facts. I would appreciate more details on that specific case.

**Mr. Alcock:** Mr. Deputy Chairperson, I will take the minister at her word and supply that. I will make an appointment to see her and bring the file at some point, because I was genuinely puzzled by this one. The debates about whether 49 percent gross profit is acceptable, and 50 is not, or 51 is not, or whatever are, are more public policy debates that may differ over time, but this one just struck me as a fairly straight-up case of somebody not operating at arm's length and doing some things that did seem to be a rather questionable practice. I felt that the department did not use the kind of scrutiny that I would have expected. I will follow through on that.

**Mrs. McIntosh:** Would the member be good enough to repeat his last sentence. I am sorry, I did not hear it.

**Mr. Alcock:** Mr. Deputy Chairperson, I will take the minister up on her offer once we have the Estimates behind us and a little breathing room. This was a case that is some 18 months old or so now. So we can sit down at a more leisurely time and go through it, but I will do that because I think it would be interesting for the minister to become more aware of the circumstances and just to give us an opportunity to look at some of these cases.

In my experience, and I, as the minister, would be aware, given that I represent all of those apartment blocks that you can see from this window, get involved in rent disputes on a fairly regular basis. I will say that most of them are dealt with I think rather appropriately by the department.

I think most tenants realize that costs are going to go up, because they know their own costs are going up. It is just when they get into circumstances where there does not seem to be a solid rationale. A lot of the tenants in these blocks here are older and more permanent.

This is where this question of if you are allowing inflation or you are allowing an increase in costs because of a capital costs allowance, then surely you are going to take that of the base rate and all of those disputes or those discussions, but we will come to that at some point after this.

I have just one final area that I would like to ask a couple of questions about, and then I will be prepared to pass this line. I do not know whether the member for Burrows (Mr. Martindale) wishes to carry on a vigorous discussion on this particular line of the Estimates, however, I am prepared to let it go. It is the relationship between Manitoba Housing and the Consumer and Corporate Affairs rent regulation branch.

Now, I understand on the rental side of it, there is not really a question, because anybody that is in subsidized housing is paying a rent that is a proportion of income, so that rental increases are calculated on that basis, and the rental guidelines really do not apply. I am wondering if there is any other relationship though between the department and Manitoba Housing units? Do they exercise any regulatory supervision or control of any sort?

**Mrs. McIntosh:** Yes, Mr. Deputy Chairperson, all the other provisions of the act do apply except for the rent control.

**Mr. Alcock:** So on what, security deposit payments? Are items of that sort subject to the same and will be subject to that under this new bill?

**Mrs. McIntosh:** Yes.

**Mr. Deputy Chairperson:** Item 2.(a) Consumers' Bureau: (1) Salaries \$914,100—pass; (2) Other Expenditures \$118,200.

2.(b) Residential Tenancies Branch: (1) Salaries \$2,213,300—pass; (2) Other Expenditures \$405,400—pass.

2.(c) Grants \$76,500—pass.

Resolution 17: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,727,500 for Consumer and Corporate Affairs, Consumer Affairs, for the fiscal year ending the 31st day of March, 1993—pass.

We will now move on to Item 3. Corporate Affairs, (a) Corporation Branch: (1) Salaries \$874,200—pass; (2) Other Expenditures \$513,700—pass.

3.(b) Insurance Branch: (1) Salaries \$343,900—pass; (2) Other Expenditures \$72,800—pass.

3.(c) Manitoba Securities Commission: (1) Salaries \$1,256,600.

**Mr. Doug Martindale (Burrows):** I would like to ask the minister to pass on her greetings to the director of the Manitoba Securities Commission. I understand he is ill, and I know him to be a fine gentleman. If you could pass on our greetings, I would appreciate that, thank you.

**Mrs. McIntosh:** Mr. Deputy Chairperson, I would be delighted to do that, and I know that the chairman will be pleased, indeed, to receive those greetings.

**Mr. Deputy Chairperson:** 3.(c) Manitoba Securities Commission: (1) Salaries \$1,256,600—pass; (2) Other Expenditures \$125,600—pass.

3.(d) Public Utilities Board: (1) Salaries \$606,800—pass; (2) Other Expenditures \$1,564,200.

3.(e) Trust, Loan and External Financial Services: (1) Salaries \$396,800—pass; (2) Other Expenditures \$88,100—pass.

**Mr. Alcock:** Mr. Deputy Chairperson, did I hear the word "Public Utilities Board" being discussed?

**Mr. Deputy Chairperson:** We have already passed by that two lines ago, the honourable member for Osborne (Mr. Alcock).

We are now dealing with 3.(f) Regulations: (1) Salaries \$537,900.

**Mr. Alcock:** I am sorry, Mr. Deputy Chairperson, could you repeat what you said we were dealing with?

**Mr. Deputy Chairperson:** We are dealing with 3.(f) Regulations: (1) Salaries \$537,900.

**Mr. Alcock:** Mr. Deputy Chairperson, the regulations under the Public Utilities Board?

**Mr. Deputy Chairperson:** Would you repeat that question, please?

**Mrs. McIntosh:** Into the mike, I cannot hear you very well.

**Mr. Alcock:** Are these regulations under the Public Utilities Board?

\* (1620)

**Mrs. McIntosh:** I would not think so. We are past the Public Utilities Board, we are talking about—

**Mr. Deputy Chairperson:** No, we have passed that already (f) Regulations: (1) Salaries.

**Mr. Alcock:** (f) Regulations under what section?

**Mr. Deputy Chairperson:** Page 27, (f) Regulations: (1) Salaries \$537,900.

**Mr. Alcock:** Mr. Deputy Chairperson, could you reference the page number in the Supplementary Information for Legislative Review? This will take but a second.

**Mr. Deputy Chairperson:** The honourable member for Osborne, he had a question?

**Mr. Alcock:** I asked, Mr. Deputy Chairperson, if the minister could reference the page within the Supplementary Information for Legislative Review.

**Mrs. McIntosh:** Yes, page 34.

**Mr. Alcock:** Mr. Deputy Chairperson, I just had one question on this. Recently there was some action taken with the Assiniboine Credit Union relative to the board of the Assiniboine Credit Union. There was some election of people to the board of Assiniboine Credit Union that raised some questions?

**An Honourable Member:** Yes, did they take control?

**Mr. Alcock:** That is my question to the minister. If an outside political lobby group has taken control of the board of the Assiniboine Credit Union, I have to ask the question, (a) did that happen, and (b)—

**An Honourable Member:** Yes, how dare they. Let us get our money out of there.

**Mr. Deputy Chairperson:** Order, please. Could I have a little quiet, so that the honourable member for Osborne could have his question put forward?

**Mr. Alcock:** Mr. Deputy Chairperson, I simply want to ask a question. I mean I knew that this line was coming up and this is purely for information. I have nothing behind this, other than I noticed information was brought forward recently that a particular political lobby has initiated some activity that resulted in their taking control of the board of a very large credit union, the Assiniboine Credit Union

The question simply is whether or not, given the nature and size of the financial institution, the government has had an opportunity to look at that event. It may be simply that a number of very interested, qualified people were brought to that

board, but if the activities were simply the intention to push a particular political agenda, then I would assume that this branch of the department would have some interest in that. I would just like to get a sense from the minister as to what action has arisen as a result of that activity.

**Mrs. McIntosh:** Mr. Deputy Chairperson, I thank the member for his question. I understand that they have had an election. They do have some new people on that particular credit union, and I understand, I have been informed from people out there, that some of these new members belong to CHOICES. The Credit Unions and Caisses Populaires Act does apply. The Stabilization Fund which monitors and is the watchdog of the credit unions and the caisses populaires will monitor, as they do on a consistent basis, the activities of credit union boards to ensure that all the regulatory frameworks are being appropriately dealt with.

This was an election that took place with people voting as they do in a standard electoral process.

**Mr. Deputy Chairperson:** Item (f) Regulations: (1) Salaries \$537,900—pass; (2) Other Expenditures \$34,200—pass.

Resolution 18: RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,414,800 for Consumer and Corporate Affairs, Corporate Affairs, for the fiscal year ending the 31st day of March, 1993—pass.

The last item to be considered for the Estimates of the Department of Consumer and Corporate Affairs is item (a) Minister's Salary. At this point we would request that the minister's staff leave the table for consideration of this item. Item 1.(a)—

**Mr. Martindale:** I would like to make a few comments for the record and then ask one question.

The reason for my not asking any questions today is that in our caucus we divided up our hours and, in fact, I was over my hours by about half an hour the last day we were in these Estimates. Since we in our caucus understand the meaning of co-operation and solidarity, any questions I would have asked today would be taking time away from my colleagues, and I chose not to do that.

However, I think that the minister knows that I am very interested in all Housing issues including Housing legislation, and I think my record in previous Estimates and in the House in Question Period proved that.

Although the minister and I may have political and philosophical difference, I have always found this minister to be very co-operative. So my final question is: If I submit questions in writing, would the minister endeavour to respond to them?

**Mrs. McIntosh:** I would be pleased to do that for the member, and I should indicate in return, the member is quite right. He and I may not always agree on the substance of the issues, because we do have a different way of looking at the world, but I must say that the member for Burrows has been consistent throughout his tenure as my critic in bringing forward issues that are consistent, that are of concern to him. [interjection] Well, it is true. Just as he has complimented me, I in turn compliment him. While we do not always agree, I do appreciate the communication we have had and would be pleased to answer any questions that he might have after Estimates. I understand the need to have the time fairly split, and I appreciate that, in fact.

**Mr. Lamoureux:** Mr. Deputy Chairperson, the member for Burrows—and I should not be surprised—in his closing remarks made some reference, and I did want to make quick reference to that prior to going to the minister. That is, that he tries to say that he has been very co-operative with his colleagues in his own caucus and so forth. Well, we have also been extremely co-operative through all of the departments, and all members have a right to ask questions of this particular minister, and I caution him of that because—

**Mr. Deputy Chairperson:** Order, please. Could I have just a little bit of decorum within the committee room. I will ask the honourable member for Inkster to please put his comments through the Chair.

**Mr. Lamoureux:** Mr. Deputy Chairperson, through the Chair, that one's holidays should not take priority over what is going on inside this Chamber or inside this committee room. Even though there might be some questions that the opposition and the government take exception to that are put forward, whether it is in the Estimates, whether it is during concurrence, or whether it is debate on bills, those questions and debates are needed and we have an opportunity to put them forward and a responsibility to do just that.

So I know that the minister was wanting to see her department pass, and we too want to see the department pass. After all, there are a number of things that are going on in Culture, Heritage and

Citizenship that need to be addressed. I do take exception to the remarks put on the record from the member for Burrows (Mr. Martindale), because, Mr. Deputy Chairperson, there has been a lot of co-operation from all three parties, or I should say, the Liberals and the Conservative-NDP coalition the last couple of days.

**Mr. Martindale:** Mr. Deputy Chairperson, just for clarification, my remarks were not intended in any way as a criticism of the very legitimate questions that the three members from the Liberal caucus asked this afternoon. It was only an explanation as to why I have not asked any questions for the last hour, hour and a half, since it may look rather strange for the NDP Housing critic not to ask any questions for an hour and a half. It has absolutely nothing to do with summer holidays.

I would also point out that the member for Inkster has been very co-operative on discussing the schedule and any changes to the schedule of the Legislative Assembly, and we commend him for that. We look forward to that coming to Rules Committee some day. I hope that my remarks were not taken as a criticism and I appreciate what the minister said. Thank you.

\* (1630)

**Mr. Cheema:** Mr. Deputy Chairperson, I wanted to add several remarks also. I just watched the unholy alliance between the Tories and the NDP for the last two days also. It is very surprising how they think things are functioning in this House. But I do not think, as the member for Inkster has said, anybody's holidays should decide when the House should sit or go. I think it is very sad.

if we are trying to speed up the process, and I think there may be many underlying reasons and some of them I do not want to put on the record. But I am sure the media is going to know that, because there are many factors that are going to contribute to when we should get out and when we should come. Two years ago in a minority government, those kinds of things were never said. Now the question is rather, you know, the rural members want to sit more than 90 days because they are getting extra funding and extra money and those things—I am sure, there are some concerns there. I do not want to put any blame, but I just want to put those things on the record. It is very important that people should know how this House is being operated.

**Mr. Deputy Chairperson:** Item 1. Administration and Finance (a) Minister's Salary \$20,600—pass.

Resolution 16: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,088,500 for Consumer and Corporate Affairs, Administration and Finance, for the fiscal year ending the 31st day of March, 1993—pass.

This completes the Estimates for the Department of Consumer and Corporate Affairs. The next set of Estimates that will be considered by this section of the Committee of Supply are the Estimates for Culture, Heritage and Citizenship.

Shall we briefly recess to allow the minister and the critics the opportunity to commence the next set of Estimates?

**Some Honourable Members:** No.

**Mr. Deputy Chairperson:** No, the minister is here.

## CULTURE, HERITAGE AND CITIZENSHIP

**Mr. Deputy Chairperson (Marcel Laurendeau):** Consideration of the Estimates for Culture, Heritage and Citizenship, does the minister responsible have an opening statement?

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** It is indeed a pleasure to introduce the Estimates for Manitoba Culture, Heritage and Citizenship. My department is charged with two areas of responsibility. One is for encouraging, strengthening and supporting the cultural, multicultural, immigration, settlement, heritage and recreational initiatives within the province. The other is to serve the Legislative Assembly, government departments and agencies and the people of Manitoba with access to government information. These diverse interests contribute not only to our quality of life, but also carry clearly economic impacts, that of providing jobs and incomes to Manitobans.

Culture, Heritage and Citizenship is committed to ensuring this province enjoys the benefits of these resources which support our lifestyles. We will continue to bring increased focus to the unifying benefits of multiculturalism. We intend to support realistic protection and careful development of our heritage. We intend to provide humane and progressive assistance in the settlement of immigrants to Manitoba.

Manitoba has always been an active and rapidly evolving community on many fronts. We are



constantly changing and restructuring the community in which we live, and it is the role of a responsible government to meet these challenges while staying within the limits of sound fiscal policy. It is also important to realize that we must stay informed on new issues, needs and concerns of the community, even as we deal with the ongoing business of supporting previously identified needs.

In the current economy, it is often necessary to review priorities, redirect resources, change departmental emphasis, revise existing programs, create new initiatives and alter the communication paths between government and the people of Manitoba. A good example of these actions within my own department and their success in achieving substantial savings is shown in these Estimates. Last year, centralization of all government communication services has reduced administrative overhead by over \$200,000.

Our government responded to the changing nature of Manitoba's population when in February of 1991 Premier Filmon announced the addition of an immigration mandate for the department as we became Culture, Heritage and Citizenship. The Citizenship Division created to better serve the immigration and settlement needs of new Canadians has undergone reorganization. It was restructured in response to the recommendations of the report titled Issues, Trends and Options: Mechanisms for the Accreditation of Foreign Credentials in Manitoba.

The development of the new Immigrant Credentials and Labour Market Branch, which will act on the recommendations of this report, is evidence of the importance that the province places on the recommendations. This new branch has begun what will be a lengthy process of establishing a data bank that will facilitate a central directory having information available to better assist degree-granting institutions in establishing equivalencies for offshore degrees.

We have begun meeting with agencies to develop agreements that will mean changes in how they establish such equivalencies. We have begun to establish support groups for those who may be having difficulties establishing themselves within their professions. This branch has a business component that will work with Industry, Trade and Tourism to provide settlement support for immigrant businesses. Our goal will be to help entrepreneurial

immigrants adjust to the differences in Canadian business practices.

We have established a new process for the identification of the skills that will be part of the designated occupations list for the coming year. This process allows for more input from the private sector and will result in a Manitoba occupational shortages list that is available to all Canadian posts abroad. Published in booklet form, this will be part of an aggressive campaign promoting Manitoba as a destination for immigrants.

The restructuring of the division will see changes in the responsibilities of all its branches. The immigration policy branch will work steadfastly to negotiate an immigration agreement with the federal government. We believe such an agreement will give us greater control over immigration to the province of Manitoba.

The Settlement and Adult Language Training branch provides cross-cultural consulting, co-ordination of ESL teaching support and professional development language training and improved access for immigrants to government programs and services. It will work actively, in co-operation with our federal counterparts, to develop a made-in-Manitoba ESL training strategy. This consultation process to respond to the new federal language training policy has already begun, and we hope to have a position agreed to by all parties by December.

As well, this branch will incorporate the skills of the staff at Immigrant Access Service to work actively with government departments to make them more responsive to the needs of the immigrant community. We are developing projects with both the Department of Justice and the Department of Highways to this end.

The Citizenship Support Services branch will continue to provide support to ethnocultural communities to facilitate the process of applying for appropriate grants and to provide settlement information and co-ordination for the antiracism initiative. We are confident this new Citizenship Division will help us to better support new immigrants to Manitoba.

\* (1640)

The resources of these new Canadians cannot be overlooked if we are to maximize their contributions in the future. However, the adaptation process can be difficult. In recognition that special measures

may be required by some ethnocultural groups, we announced a new funding program, Bridging Cultures, to provide assistance. This program has four goals: family education, citizenship promotion, combatting racism and joint projects to encourage the ethnocultural community to work together with other human services agencies. Thirteen projects were funded this year. I am pleased to announce that we will be renewing this program this year, as we strengthen the choices that are available to ethnocultural communities.

We know that an important goal in the integration and settlement process is to ensure that racism is not tolerated in Manitoban society. The government has shown strong leadership and commitment to antiracism initiatives through the appointment of an antiracism co-ordinator. This position will provide support for action within government.

As the result of a two-year-long project with the Manitoba Federation of Labour, a series of modules have been developed dealing with racism in the workplace. The Department of Culture, Heritage and Citizenship piloted these modules with very exciting results. The initial workshops resulted in the identification of the desire to have, within our department, a respectful workplace charter, which is now being developed.

Because of the very positive response, additional training programs are being scheduled in the department, and the Civil Service Commission is now expanding the module and offering it to all departments. The commission is also developing an antiracism policy for Manitoba civil servants.

We must continue to identify and meet new challenges while dealing effectively with ongoing issues and concerns of importance to the community. Our ongoing demonstrated commitment to multiculturalism continues to be seen in the work of my department.

Fulfilling one of the initiatives we undertook in announcing Manitoba's policy for a multicultural society, we recently officially opened a Community Access Office. This is an easily accessible store-front office, which provides practical assistance to the public in dealing with departments and agencies of government. Our staff will assist groups and individuals to access and understand government processes and the availability of programs and services.

I am especially honoured to have introduced Bill 98, The Manitoba Multiculturalism Act, on June 8, 1992. This fulfills the commitment we made on May 15, 1990, to establish our multicultural policy in a legislative framework.

This act follows consultations I held with multicultural umbrella organizations and various individuals, and reflects the thoughts and ideas expressed. I want, publicly and personally, right now, on the record, to thank all of those who took the time to meet with me to share their views and their suggestions. These are individuals who devote their time so freely to the community, contributing to our quality of life in Manitoba in an extremely positive way. I know that many of those people will continue to provide constructive comment over the weeks and the months and the years ahead.

These consultations also raised very important issues regarding the Manitoba Intercultural Council and its legislation. A strong consensus emerged that the MIC needed to be carefully and fully examined as to its role, its mandate and its structure. It was also clear, however, that there was no one answer to these issues. Many suggested that we engage an external, independent consultant to conduct such a review and report back.

We have, therefore, appointed a consultant to conduct research and consultations to assess the role, the mandate and the structure of the Manitoba Intercultural Council, and make recommendations thereon, including any necessary amendments to The Manitoba Intercultural Council Act. I look forward to hearing the thoughts and the views of a broad cross section of Manitobans, and to consider such advice and make any necessary amendments to The MIC Act prior to its next biennial assembly in 1993.

Our government and my department have been keenly aware of the importance of the arts in Manitoba, its contributions to our quality of life, and the benefits it provides to our economy in the form of employment, expenditures, taxes and tourism. To determine the best method of maximizing the effect of public and private expenditures on the arts in the coming decade, we established an Arts Policy Review Committee in 1989.

In response to their findings and recommendations, we have redefined the mandate of the previous Cultural Resources branch. After

reorganization, it is now known as the Arts Branch. The reorganization involved the transfer of some responsibilities among the new Arts Branch, the Manitoba Arts Council, and the Multicultural Grants Advisory Council. The Arts Branch will support community-based development of arts activity. The Manitoba Arts Council will continue to support professional arts endeavours. The Multicultural Grants Advisory Council will support ethnocultural organizations whose programs are not specific to the arts.

To better address the needs of Manitoba's arts community, as expressed through the Arts Policy Review, four new programs were developed for administration by the Arts Branch. These new programs will enable the branch better to assist community-based arts development across Manitoba, thus building a strong foundation for all of the arts in our province. Consultation is being completed with clients of the department, and applications are now in the community's hands.

At this point, I would like to commend and thank the staff within my department, within the Cultural Resources branch, who consulted broadly, of course, with the Manitoba Arts Council, with the Multicultural Grants Advisory Council, and with all Manitobans who had an interest in ensuring that the recommendations that were outlined in the Arts Policy Review could be implemented in a satisfactory manner. I think the whole community, the arts community throughout the province of Manitoba, will be well-served by the new structures that have been put in place as a result. It also is living up to implementation of recommendations within the Arts Policy Review.

\* (1650)

Other arts-related items in the Estimates do include an increase in capital grants of \$4 million. This funding will provide for much-needed repairs to the exteriors of the Centennial Concert Hall and the Museum of Man and Nature. We recognized four years ago when we took over as government that a lot of our cultural institutions that had been built more than 20 years before were in bad need of repair.

Over the 20 years, and I suppose successive governments, there was no major capital commitment to those facilities and to those institutions. It was a need that was recognized and we made a commitment. I think we are living up to

that commitment by proceeding with much badly-needed repairs.

Of course, the structural problems that were faced by the museum and the Centennial Concert Hall were over and above what we had anticipated might need to be done. The exterior cladding on both of those buildings, after a consultant had looked at the buildings, clearly indicated that there could be threats to public safety, and there was an immediate need to deal with these buildings and try to undertake the repairs within, I suppose, limitations, dollar limitations that we had available, and ensure that the immediate repairs that posed threats to public safety would be addressed immediately with a long-term, multiyear commitment to ensuring that the needed work was done.

The exterior repairs to the Concert Hall will be completed in the fiscal year of 1992-93, this year. We will be commencing work this year on repairs to the Museum of Man and Nature. The financial commitment from the Province of Manitoba will be significant. In addition to those emergency expenditures that have arisen, funds will be provided to permit the Centennial Concert Hall to continue progress on much-needed interior repairs, such as seat and carpet replacement, upgraded mechanical and technical systems, and greater wheelchair accessibility.

We do know that we have a very vibrant cultural community, something that we as Manitobans should be extremely proud of. In order to maintain the excellence that we do have with the ballet and the symphony and the theatre, and to attract major events and venues to our province, we do need to have a concert hall that is up to standard and up to par, not only for the customers' comfort, I suppose, but also in the areas of sound systems and the most up-to-date technology possible to attract as tourism events those things that we have seen, with Les Miz being here for the third time this summer and Phantom of the Opera scheduled for next year. Also, the upgrading of the wheelchair accessibility will allow for more Manitobans to be able to attend activities at our concert hall and attend our museum.

When we look at our cultural institutions we cannot ignore those that are outside the city of Winnipeg, and a similar process is just beginning at the Western Manitoba Centennial Auditorium in Brandon. There will be upgrading of that facility with necessary improvements and repairs. The City of Brandon and my department will be working

co-operatively to provide support for some badly needed repairs. So we are just in the beginning stages of attempting to negotiate and work with the City of Brandon to upgrade that facility.

These Estimates also provide for an increase in grants for cultural industries in the film and sound production areas. This increase recognizes the dramatic growth and real potential that these sectors have for both Manitoba's culture and for Manitoba's economy. Last year alone nearly \$8 million was spent on independent film and sound production throughout our province.

Most recently, for instance, with a \$400,000 investment from CIDO, Manitoba film crews have begun working near Souris on a \$3 million television production of Manitoba novelist Margaret Laurence's book, *The Diviners*.

I think all of us were aware that two location shots were made in the Legislative Building; I think it was just last week. I know that they were delayed somewhat because of the bells ringing in the Legislature, and they could not test their sound equipment, so many of the extras and the people who were around and waiting had to wait just an extra little bit of time.

I do know that we have much to boast as a result of our cultural industries in the film production, and the calibre of the films that have been produced right here in Manitoba, and they are being seen worldwide in some instances. We know that we have a strong and vibrant cultural industry here in our province, and I look forward with continued support from the Province of Manitoba and increased support, I might say, from our department because we do recognize the value of cultural industries.

We have a significant increase in our budget line this year as a result of our government's commitment to maintaining what we have seen happen in the past and looking forward to a very positive future for film in Manitoba.

Our department is assessing also the need for improved library services in rural and northern Manitoba, beginning with the appointment of the Public Library Advisory Board. I cannot remember now how many years—I know it was certainly through the former administration's tenure—that there was no public library advisory board in place, which was a piece of legislation that indicated there would be a public library advisory board. We did

re-establish that board in 1989 and gave it a mandate to make recommendations on a multiyear plan for library development.

They have done major consultation throughout the province and they have, I think, in its final stages, a report that will be making recommendations to government very shortly on how we can begin to address the needs of all Manitobans through our library delivery system.

The relocation of Public Library Services to Brandon has been successfully completed. It was completed on February 3 of this year, and staff were able to resume their duties soon after the move. Eight staff members who were employed in Winnipeg did move to Brandon; eight new people have been hired as a result of a competitive process in Brandon; and there are five positions right now in various stages of recruitment. So we are up and running in Brandon, and I am pleased to say too that those who did not want to move to Brandon did receive successful employment here in Winnipeg.

While the government has restructured the manner in which we distribute funds to the heritage community, our global commitment remains unchanged. I have established a number of key objectives to guide us through the decision-making process on what kind of a structure will be put into place to serve the community's needs.

In particular, our government is committed to maintain the traditional level of support to the Heritage Community while reducing the administrative overhead and applying the savings to direct grants to Heritage. I am also committed to put in place a representative volunteer advisory committee to guide the decision-making process.

I have also sought the advice of members of the heritage community in a review of the program to ensure an accountable program design, streamlined to meet the needs of applicants and the needs of the province. Mr. Deputy Chairperson, our government is committed to support local government's ability to strengthen the local economy through the provision of services which enhance a community's attractiveness.

The new provincial recreation policy announced last fall outlines our government's recognition of its importance and our commitment to furthering the development of recreational opportunities for Manitobans in every community. The fall announcement revealed the introduction of a new

Recreation Opportunities Program to replace the Recreation District Grant Program. This new program expands access to northern municipalities and has been developed to better meet the needs of rural communities. I am very proud of the fact—

\* (1700)

**Mr. Deputy Chairperson:** Order, please. The time is now 5 p.m. and time for private members' hour.

I am interrupting these proceedings. This Committee of Supply will resume consideration at 8 p.m.

## HIGHWAYS AND TRANSPORTATION

**Madam Chairperson (Louise Dacquay):** Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply is dealing with the Estimates for the Department of Highways and Transportation. We are on item 2, Operations and Maintenance (c) Operations and Contracts, page 93 of the budget Estimates manual.

Would the minister's staff please enter the Chamber.

Item 2.(c) Operations and Contracts.

**Mr. Daryl Reid (Transcona):** I believe I will let that section pass.

**Madam Chairperson:** Okay. Item 2.(c)(1) Salaries and Wages \$1,952,400—pass; (2) Other Expenditures \$342,800—pass.

2.(d) Bridges and Structures: (1) Salaries \$1,846,300.

**Mr. Reid:** Item 2.(d), Madam Chairperson, a question for the minister: There is a decrease of one staff here; can the minister tell me what the individual who was under Professional/Technical support staff, what that person's duties and responsibilities were? Where did that person work? When were they let go?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Madam Chairperson, I wonder if the member could clarify which question he is asking.

While we are getting that established, I would like to put some information on the record that I had undertaken to do the other day which had to do with the staffing complement. The question was raised as to the female employment aspect of it, as well as the native employment and the visible minority aspect of it. I want to indicate that basically we have

the summary of female employment and nontraditional female occupations by functional category. In 1988, we had a total of 45 female employees. In 1991, we have a total of 64 which are in the nontraditional female occupations, which basically indicates that we have more female engineers coming on stream. The three categories where we have the increases is natural sciences and engineering from 16 employees to 23; and then the managerial and administrative we have gone from five to nine; and in the regulatory one we have gone from 10 to 13; and in the program policy review we have gone from three to six, which I think shows good trends in there.

\* (1440)

On the total component, the female employment aspect of it in March of '88 was 380; and in March of '91 we had 447 female employees. We had 99 native employees in 1988; and we have 113 native employees now; and the visible minority we have 16 in March of '88; and we have 25 at the present time. So that gives the members a bit of an indication as to the distribution, realizing of course the fact that in the Department of Highways and Transportation much of the work actually is more labour oriented, I suppose, and the male factor is much stronger in my department possibly than in others. We have good trends developing in there. So I just wanted to bring that information forward, because the member raised it the other day.

Now the member also raised questions on chemical and how much sodium chloride we used for the year '91-92. Incidentally, that was supplied by K-Way. We used a quantity of 39,464 tonnes at a cost of \$1,655,855. Summer dust control or calcium chloride brine supplied by Tiger Chemical, we used 3,689,000 litres. The cost was \$569,000. lignin sulfonate supplied by Prairie Road Management, we used 1,133,000 litres, a value of \$102,000; continuous dust treatment calcium chloride supplied by General Chemical, we used just a shade over 7 million litres, the value being \$1,800,000 approximately. I have rounded them off to some degree. Weed spraying, all weed control districts, the cost was \$268,000; brush spraying by contract was to the tune of \$60,000. Those were some of the questions that were raised by the member the other day.

If the member would want to now maybe clarify the question that he raised on this other portion here,

then I would be prepared to try and see if I can get that information. I did not quite get the question.

**Mr. Reid:** Madam Chairperson, before I get to that clarification of my question, I may have missed it in the minister's comments there. Could he indicate if those companies that he has indicated where we buy our product from, are these Canadian companies?

**Mr. Driedger:** Madam Chairperson, yes, they are.

**Mr. Reid:** I thank the minister for that.

To clarify my question that I had asked a bit earlier under Bridges and Structures where we had a decrease in staff, one staff person less this budget year over last year's budget year, and it comes out of the Professional and Technical Support Staff. To me, that has always been one of the more important areas of any of the planning that takes place, because you have to rely a great deal—at least, my understanding of the minister's department, he has to rely a great deal on professional and technical people's advice and opinions. Yet we see a decrease in one staff year in that area.

Can the minister tell me who that individual was, what their duties were, where did they work in the province and when were they let go from their employment?

**Mr. Driedger:** Madam Chairperson, first of all, we have a component of 55 staff positions in the Bridges and Structures component.

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

We have a reduction of one, and I have to indicate that we have an ongoing rationalization in terms of how we operate. This was a vacant position. As indicated in my remarks the other day, invariably we are one of the departments that is challenged all the time in terms of seeing whether we can operate more efficiently, so this was a vacant position that was part of a target that I had to meet, and we deleted that position.

**Mr. Reid:** Can the minister tell me where that vacant position was?

**Mr. Driedger:** Mr. Acting Chairperson, I do not know exactly which position it was out of the 55 that we deleted. I will try and get that detail. As I indicated before, this was a position that was vacant, and I repeat again, as part of the process of meeting certain targets, this was one position that was deleted.

**Mr. Reid:** I would appreciate then if the minister does not have it if he could supply it in the near future for us to have an idea of where it was deleted from.

I have no further questions on this section.

**The Acting Chairperson (Mr. McAlpine):** Item 2.(d)(1) Salaries \$1,846,300—pass; (2) Other Expenditures \$133,100—pass.

2.(d)(3) Bridge Maintenance \$895,000—

**Mr. Paul Edwards (St. James):** Mr. Acting Chairperson, I wonder if the minister can give some background to the move of the weigh scales which I understand were recently moved to Letellier for trucks, and indicate why that move was made. I am not aware specifically what the reasons were. I am not in a position to say whether it was a good idea or a bad idea.

Can the minister indicate how that came about?

**Mr. Driedger:** Mr. Acting Chairperson, I want to indicate to the member that the reason for the temporary move to Letellier is because we are doing the twinning of I-29 at Emerson, and we have a new weigh scale that is actually constructed already. We are doing the accesses to it. Once we have completed that whole stretch of twinning out there, then the weigh scale is going to be located again just to the north of the customs office there. It is just a temporary thing that has been done, and once we have completed the project, we will be moving it back to Emerson.

**Mr. Edwards:** Mr. Acting Chairperson, that certainly explains it.

I wonder if the minister can indicate: Are the weigh scales to be located in Emerson, after the twinning occurs, to be larger than the ones that existed there before? Are they being upgraded and enlarged as well as replaced?

**Mr. Driedger:** Mr. Acting Chairperson, I want to indicate to the member, yes, it is going to be a new facility. It is going to be a much more modern facility that we will be setting up there. I believe the construction is completed already or in the process of almost being completed. The contractor is out there working. I was out there a little over a week ago. The work is in full progress in terms of getting the completion done there. Once that is done, we will have it set up and we will have a very, I think, state-of-the-art type of operation out there.

**Mr. Edwards:** I simply raise that line of questions because the minister had mentioned at our last

sitting that that border crossing is the fourth largest in Canada in terms of truck traffic. I view that as a positive factor. I am very pleased to have a high level of trade going on across a border into Manitoba on a highway which can only lead—the double highway—to the city of Winnipeg and through Manitoba communities. It strikes me that the higher the level of traffic, the more likely it will be that we will continue to be and enhance our ability to be a depot centre for trucking and also for the goods that are going into western Canada and northern Ontario.

\* (1450)

So, Mr. Acting Chairperson, I ask the minister, flowing from that, is that a strategy of his as well, to make it easier, make it more efficient and expedient for truck traffic to come through that port of entry and to attempt to enhance and see, as a positive factor, the truck traffic through the Emerson port?

**Mr. Driedger:** Mr. Acting Chairperson, I think the analysis of the member is relatively accurate in terms of the truck traffic in the last years has been steadily escalating. As I said in my opening comments, when I made the remark about it being the fourth largest truck port of entry in Canada, that seems to be escalating.

I want to indicate to the member that last week was Transportation Week. We had various functions, with all modes of transportation, that we were promoting the idea of Winnipeg and Manitoba being a hub for Canada. Certainly, I think it is being borne out by the kind of traffic that is coming up from the south to Winnipeg and then going both east and west.

With Manitoba sponsoring National Transportation Week here next year and our meetings with the various modes and the representatives from them, it is our intention to do a real promotion next year in terms of really bringing forward to the public the awareness of the fact and the importance of transportation and the hub aspect of it to Manitoba. So we are going to be working very hard all year to try and raise that image and do a lot of awareness so the general public knows, as well as not just the members here, that everybody becomes aware of the importance of transportation to Manitoba, because we are an exporter of transportation services.

We play a major role. We are the second biggest component in the rail industry, next to Montreal. We

have, and I repeat again, seven of 13 national truck carriers headquartered here, and we are trying to build on that kind of a concept to see whether we can generate more economy and, of course, employment through that.

(Madam Chairperson in the Chair)

**Mr. Edwards:** Madam Chairperson, I think that is an excellent strategy. I understand and recognize, and our party does, the importance, historically and I think as well as the future is concerned, of the trucking industry to this city and this province.

I wonder if the minister can tell us whether or not truck traffic generally in North America is on the increase. Is it the way of the future or is our increase of truck traffic through the Emerson port an anomaly in that respect?

**Mr. Driedger:** Madam Chairperson, I am trying to get some detailed information that we have been working on in terms of impact of what is happening.

Under truck mode—I have the Manitoba traffic data here—traffic destined to Manitoba 1985 revenues were \$237 million. They dropped in 1989 to \$226 million. Actually, it is almost a 5 percent decrease. Traffic originated in Manitoba, we have revenue in 1985 to the tune of \$221 million and in 1989, we had \$239 million which was an 8 percent increase. Under rail mode, there is a reduction of 11 percent. That is traffic destined to Manitoba. In traffic originating from Manitoba is actually from Manitoba shipping out, we had a decrease of 27 percent in the rail aspect of it.

So that is not necessarily the kind of trends we would like to have, but I think that if we use good promotional work we can take and turn that around.

**Mr. Edwards:** Madam Chairperson, I have other questions in this area. I was on the understanding that we were on sub 2.(e) Transport Compliance and that is why I was asking these questions. My friend the member for Transcona (Mr. Reid) tells me we never actually passed the Bridges and Structures appropriations. Can you tell me, are we still on 2.(d), because if so I will pass to 2.(e) so I can continue my questioning in this respect and, therefore, it will be relevant.

**Madam Chairperson:** Item 2.(d)(3) Bridge Maintenance \$895,000—pass.

2.(e) Transport Compliance: (1) Salaries and Wages.

**Mr. Edwards:** Madam Chairperson, with respect to the document the minister has just read from, is he in a position, would he be able to give me a copy of that document with those statistics?

**Mr. Driedger:** Madam Chairperson, I want to indicate that I have no difficulty with the information that I have here. I will make copies available to both critics within the next day or so just so that they can go through that, because there is a fair amount of information that I think is pertinent, for example, the fact that we have only 4 percent of the nation's population. We have 6 percent of the air sector employment. We have 8 percent of the trucking sector employment, and we have 13 percent of the rail sector employment. So in all three areas, we are doing better than, based on the population figures. In 1982, for example, we had 11.4 percent of CN employment. We now have 14.4 percent of CN employment. So I have a variety of information here that probably I will make available to both critics.

**Mr. Edwards:** I thank the minister. That will be useful information.

With respect to the objective under this heading of Dangerous Goods Transportation programs relative to the trucking industry's use of Manitoba's highways system, I wonder if the minister can comment on the recent reports that—and we discussed this briefly last time we met—contaminated soil was being trucked from the Remand Centre and indeed from the North Portage Development out to the Perimeter Highway and Inkster Boulevard. I am sure there are other examples of where that type of dumping has taken place. The minister was going to check into that for me. I note he does not have the answer today on that, but I would still like to know whether or not, in the case of the transportation of those loads to Inkster and the Perimeter Highway from the Remand Centre, the province itself obtained a licence under The Dangerous Goods Handling and Transportation Act.

**Mr. Driedger:** Madam Chairperson, I will undertake to get the details of how we do that when this happens. In checking, after we had our debate the other day, we have very, very rare instances where this happens. In fact, we are trying to find out whether—there was a perception, I think, to some degree that this was an ongoing thing, that this happens quite regularly. It happens very rarely that we allow storage of contaminated soils, or whatever, on any of our properties. It is very, very rare and

that is why I do not have the detailed information now.

I will check out the process together—see exactly how my colleague, the Minister of Environment (Mr. Cummings), exactly what is involved in the process itself when it is being transported.

**Mr. Edwards:** Just on that point, and I look forward to that information coming from the Minister of Highways, but can the minister indicate whether or not the Crown and all the departments of the Crown indeed are held to the requirement that they also obtain licences for the transportation of dangerous goods under The Dangerous Goods Handling and Transportation Act, as is required by Section 2 of that act?

**Mr. Driedger:** Madam Chairperson, I want to indicate that the process that was used at the site at the intersection of Inkster Boulevard and the Perimeter, the process itself, there is certain criteria that we look at. The site has to be away from ground water pollution area; the site is not close to residential property and will not create noxious odours. Contaminated material can easily be treated through aeration. Gasoline-contaminated soil takes approximately two to three years for treatment. Lead-contaminated soil would not be allowed as it would still be present in the soil after 20 years.

\* (1500)

After placement, the soil must be turned at regular intervals to provide for greater aeration. If the site selection is approved by Manitoba Environment, the owner of the contaminated soil must receive the approval of the property owner as well.

With respect to the placement of contaminated soil on the west side and northeast corner of the intersection of Inkster Boulevard and the Perimeter, the district engineer authorized the placement following the approval of Manitoba Environment. Once this soil is free of contaminants, it will then be used for road construction.

**Mr. Edwards:** Can the minister indicate why in that instance there was no notification of the R.M.? I acknowledge they were not the property owners, but why were they not advised at the time? If they were, can the minister table documentation showing that, because the R.M. has been quoted as saying that they were upset that they were not apprised?

**Mr. Driedger:** Madam Chairperson, it is my understanding that it would not be our responsibility



to take and make contact with the municipality. It will be the Department of Environment that basically would have to go through the clearance. We basically just follow the guidelines that are set up, as I indicated and read into the record.

**Mr. Edwards:** The only involvement that I can tell, from what the minister just read, really, of the Department of Highways is that they would be the owner of the property, I gather, and therefore their consent would be required.

I agree it is not near a residential area, and we can take this up with the Minister of Environment (Mr. Cummings) when those Estimates come up. But I wonder if the minister can indicate whether or not he had any concerns that this soil was not even posted as being contaminated soil, so that in the event that the public were to come upon the site they would have notice of that.

It is probably not a well-travelled site, but it is certainly open to public access. It is on a major thoroughfare. I wonder if the minister can indicate whether or not, in the normal course, his department would want to, on their property, post notices, and if so, why it did not happen in this case.

**Mr. Driedger:** Madam Chairperson, I want to indicate that my colleague the Minister of Environment has indicated he is prepared to give more details on that.

But I, together with him, will try and get a detailed process, from the environmental aspect of it, how they do it, what the requirements are, and get that information.

**Mr. Edwards:** The minister indicates that in this case his only responsibility, the department's responsibility, as the owner of the land was to consent to the—[interjection] at the corner of Inkster and the Perimeter.

What does it mean then when the objective of this area is to provide uniform compliance with the Dangerous Goods Transportation programs? Are they involved in ensuring compliance under that act of travel, of movement of dangerous goods?

**Mr. Driedger:** Madam Chairperson, I want to indicate, under this section here, we have our inspectors who basically do the inspections to make sure that the vehicles, the trucks meet with or comply with, for example, the National Safety Code.

In terms of the handling of the dangerous goods, I do not know whether we play any role in that. That

is basically under the Department of Environment. I think the Minister of Environment (Mr. Cummings) just handed me some information here.

Madam Chairperson, I wonder if I could have my colleague the Minister of Environment answer the question here at the same time for the member's benefit.

**Hon. Glen Cummings (Minister of Environment):** If the committee agrees, certainly the member might want to have me under Environment Estimates, but regarding this particular site, it was the approval of the Department of Environment. Perhaps we believe all of the material was not heavily enough contaminated to be classified as hazardous. The vast majority of it was below any level that would have brought it into that category. Review was provided to make sure that there was ground water protection at that site. Sections 8 and 10, which are proclaimed effective at the end of this month, obviously, did not come into play at that particular time under transportation of dangerous goods.

So even though we felt that it was not a compliance issue, in order to make sure that Government Services and the Department of Highways were comfortable with this decision, we provided a review and then provided the okay to proceed to use that site because there was a need to move the material to make it so that the excavation was safe, and at the same time ensure public safety as we relocated the material. In fact, the involvement of the Department of Environment was to provide almost an overkill of responsibility, if you would, and the note that I have from the Department of Environment says that the municipality in fact was consulted.

I think that we have covered most of the bases by which the member is questioning this decision. I would prefer to answer further in the Department of Environment Estimates.

**Mr. Reid:** I certainly will have other questions but will abeyance those until the Department of Environment Estimates. It makes more sense to do that, but I thank the minister for that response at this time.

Finally, for the Minister of Highways, can he indicate whether or not the National Safety Code is being revised as time goes on? Are there ongoing national discussions to improve and review the National Safety Code? If so, does Manitoba play a role in that on an ongoing basis?

**Mr. Driedger:** Madam Chairperson, I want to indicate that we have two areas under the National Safety Code that have not been implemented at the present time. They will be implemented by this fall and then we will have complied with all the 17 different categories. I do not have my staff person here at the present time who deals with the transportation. He will be here later and we can maybe deal with that a little further. I will have the details as to the two components that we have not implemented yet which are in the process of being implemented and should be in by this fall.

**Mr. Reid:** I have a question for the minister under the Transport Compliance section. I have several questions actually.

It has to do with the inspection of the transport inspectors. It is my understanding that there were some changes to the staffing levels of those inspectors over the last year, year and a half, and of course it raises several questions in respect to transport compliance and the inspections that would take place out of that.

Can the minister give me an indication—and I believe the designation for these employees in the department under the MV, MV1, 2, 3, maybe 4, and the minister can correct me on that part if there are others or the designations have changed—tell me how many inspectors there were in the past year and how many inspectors there will continue to be this year to do the Transport Compliance inspections?

**Mr. Driedger:** Madam Chairperson, if I can just give the member the information that I have here. Security of vehicle loads element of the National Safety Code was implemented October 1, 1991; self enforcement was in effect until January 1, 1992. Indications are that the industry is seemingly supportive of this initiative, but is slow to comply. Accordingly, Transport Compliance staff are exercising discretion. Due to the innovative program delivery changes, for example, more detailed inspections on a random basis and increased operational effectiveness, 6 SYs were eliminated without a reduction in the level of service.

\* (1510)

At the present time, I want to indicate that we also have 11 permanent weigh stations in operation. We have the ones at Headingley and West Hawk operating 24 hours a day. Headingley operates five days per week plus one weekend shift and West

Hawk operates seven days per week. Other weigh stations typically have varying eight-hour shifts Monday through Friday. At the present time, we are divided into 17 compliance territories where staff patrol a geographic area. I just want to indicate that current compliance rate average is over 99 percent.

**Mr. Reid:** The questions I had related to the technical and the professional support people who perform these inspections. I will have further questions on the weigh scales in a few moments. I had some concerns there that I mentioned in my opening comments when Estimates started for this department.

My concerns are presently for the members of the minister's staff in his department who perform these transport inspections. It is my understanding that there was some concern and there were some changes where the status of these individuals was changed. They went from special constables—they were given a special constable status and that was changed, and there was some change to the powers that they had. There is some question now whether or not they are actually peace officers and they can actually enforce The Highway Traffic Act. There are also some questions on definitions of a peace officer as it applies to The Highway Traffic Act versus the Criminal Code.

Can the minister make some comment on the changes that applied to those individuals and their ability to perform their functions and their duties?

**Mr. Driedger:** Madam Chairperson, I want to indicate that the role of our compliance officers has not changed. There has been no change in that regard at all. They have the right as compliance officers to deal with certain irregularities, overloads, for example, and the safety compliances. These are the things that they normally deal with. I want to indicate—

**An Honourable Member:** And they harass us—

**Mr. Driedger:** No, they do not. In fact, they use common sense in many of these cases.

I want to indicate, just for the member's edification, that the number of vehicles processed from April 1, 1991, to March 31, 1992, we had over 520,000 vehicles that were processed by our compliance people. This has to deal with anything from overweight, oversize, faulty equipment and safety, driver and vehicle licensing, dangerous goods, hours of service, violation of oversize-overweight permits. These are all the

things that they cover. In terms of actual revenue generated through the fine system, it works out to almost \$800,000 for the last year that our compliance people ticketed people, I guess. I would have to say to the member that obviously to have this kind of activity, they obviously are very busy and are doing a good job.

**Mr. Reid:** I will try this from a different tack then. Can the minister give me an indication of the different levels of inspectors that are in this particular portion of his department? I believe the title designations for these staff people are under the designation of MV1, MV2, and so on. Am I correct in my assumption on that part?

**Mr. Driedger:** Madam Chairperson, I am not quite sure whether that is the case. I think the designation is motor vehicle inspectors.

Madam Chairperson, we have MV1s, MV2s, motor vehicle inspectors one, two, and the various categories depending on their seniority and their job responsibilities. So it is based on that. Basically, they all do the same job.

**Mr. Reid:** Can the minister tell me how many MV1s we have, how many MV2s we have, and how many MV3s we have, and their functions, duties and assignments? Where are they assigned?

**Mr. Driedger:** Madam Chairperson, that is pretty detailed information. I do not have that here. I have to give the member an undertaking that I will get that information to him.

**Mr. Reid:** I am sure that it has been brought to the minister's attention already, but I will bring it to his attention again that there is concern amongst his employees in the department that with the reduction, the numbers of the inspectors who go out and do the actual inspections, there is concern there because of the change in the status that they had over the course of the last year and a half, and they are concerned about their abilities to perform their jobs.

Their numbers have apparently been decreased over the course of the last two years, it is my understanding. I find it difficult to understand how we can enforce the National Safety Code and all of the increases it is going to mean if we are going to have increased north-south traffic in our transport compliance as we try to meet the requirements of the National Safety Code if we have a decreased number of inspectors. Can the minister tell me—I am sure his staff should be able to provide this to

him—how many inspectors we had in 1988 before deregulation came into effect, and how many we have today to ensure those different sectors of the transport companies that are operating in and through this province will meet the requirements of the National Safety Code? How many inspectors are there to make sure that these requirements are met?

**Mr. Driedger:** Madam Chairperson, as the National Safety Code was implemented, it was staged over a number of years. We are in the final stages in terms of meeting the compliances or requirements, and in this year's budget we have six staff years that we will be bringing forward to take and implement the final two stages. Then our component will be complete.

I do not know where the member gets his information from, by indicating that we do not have enough staff and that we are not doing the job, because I think that we are accomplishing what is required in terms of the compliance area. Based on the figures that we have here, I think it is doing an effective job. I am not quite sure what the member is getting at in terms of his criticism as to the staff not doing their job or not being happy or feeling that they have not got enough people there. Certainly figures and information I have are supportive of their doing their job efficiently. I am not aware that there is a need for more staffing.

**Mr. Reid:** These are concerns that were brought to my attention. I must admit it is a few months back that they were brought to my attention, and I was waiting for my Estimates to come forward, thinking that they would have come at an earlier time. Unfortunately, that did not happen.

Nevertheless, these employees in the minister's department are quite concerned because they feel that the powers that they previously had that would allow them to enforce the act were stripped away from them. They no longer feel that they have those powers and the protection that it would provide for them. There was some concern as well about the legal, medical and other expenses that they would incur in the course of doing their job and their duties, and these individuals had drawn this information to my attention.

I want to make the minister aware that there are some serious concerns, and I would hope that his department would have already been aware of that.

If they are not, then I am quite surprised that has not taken place.

\* (1520)

**Mr. Driedger:** Madam Chairperson, I would have to say that is the first time that has been brought to my attention. I will certainly take it as notice and check with my administrative staff to see whether there is any unhappiness out there, whether there are concerns, because I would like to think that my departmental people would feel, you know, comfortable that if they had some concerns they would bring them forward, certainly through administrative staff and to me, if nothing else. Certainly, if they are talking to the critic from Transcona and raising it with him, I am surprised it has not reached my table, but I will have a look at that.

**Mr. Reid:** I thank the minister for that. I hope he undertakes that, because it is important that these people are given the opportunity and the tools to do their jobs properly, because it is a very important section, Transport Compliance, because it is all of our safety, not only in this Chamber but any member of society at large, as we travel on the roads throughout the province.

I had raised, in my opening comments on this department, my concerns about the hours of operation for the weigh scale stations in the province, and the minister referenced it a few moments ago, the hours of operation. I had the opportunity, just a short time ago, a few weeks back, of coming by the Headingley station on a Sunday evening, I believe it was, coming back from a meeting in western Manitoba. As I went past that particular weigh scale station there did not seem to be any activity taking place there, and the truck traffic was going past that. That was before that particular building was involved in the unfortunate accident that took place.

Can the minister give me an indication of the hours of operation? If he does not have it here today, he can provide it at some other opportunity. I am interested in the hours of operation for the weigh scales in the province, because it is my understanding that the truck traffic of the province prefers to move about the highways of the province in the nonpeak hours, if at all possible. If the truck traffic is moving on our highways in the province, they should have to proceed through the weigh

scale stations and comply with the normal inspection requirements of that particular facility.

**Mr. Driedger:** Madam Chairperson, let me first of all indicate and repeat, as I indicated before, we have 11 permanent weigh stations currently in operation. Headingley and West Hawk are the main ones that we have. They operate 24 hours per day. Headingley operates five days per week plus one weekend shift. However, the truckers never know when we are on or off. If the member has been driving along seeing exactly what happens—when lights are flashing you have to weigh. They never know when our compliance people are around or when we do the checking. We have random checking as well.

I will tell you something. Our compliance rate average is over 99 percent. So the truckers are very shrewd. They stay within their requirements in most cases. They never know when they are going to be checked, either on the highway or at a weigh station. So it is foolhardy for them to say, well, we can slip by somewhere along the line. Invariably we get them.

**Mr. Reid:** Can the minister tell me if it is the duties and responsibilities of the weigh scale staff, at any point in our province, whether they be the fixed weigh scales or the roving inspections, these inspectors and staff who staff these facilities, is it one of their responsibilities to ensure that the truck traffic that is going through these facilities are authorized carriers?

**Mr. Driedger:** Madam Chairperson, yes. It is my understanding that our staff check whether they are authorized carriers.

**Mr. Reid:** Okay, I will not belabour that point right now. But I will draw to the minister's attention that when we move under the section of Motor Transport Board, I will be raising with him some concerns that have come to my attention and we have been dealing with now for a number of months, relating to unauthorized carriers operating in this province.

I know I asked the minister questions on this in Question Period a few weeks back, and it seemed to have the desired effect in bringing about some change to this. I will make the minister's department aware that there are and were unauthorized carriers going through those weigh scales and that these particular companies that are doing this operation without authority were not detected at that time.

**Madam Chairperson:** Item 2.(e) Transport Compliance.

**Mr. Reid:** I should finish that, Madam Chairperson, with a question then. Will the minister take that information back to his departmental people to make sure that part of their function and duties are closely adhered to? I think it is important for the job opportunities in this province that any unauthorized carriers are detected and that the appropriate actions are taken.

**Mr. Driedger:** Madam Chairperson, I had that information at the time when the member asked the question. I got that information, and in that particular case, the issue that he was alluding to, the Motor Transport Board was well aware of it. There were some irregularities they were dealing with and actually there were hearings to further deal with some complaints on that aspect. I will try and get the details of what has happened since that time, but the issue that he brought forward at that time was already under consideration by the Motor Transport Board at the time when he raised it. I will just have to get the details of what has happened since that time.

**Mr. Reid:** He mentioned a very high percentage of compliance. Can the minister give me an indication on whether or not there were any charges laid for the noncompliance sections in fractions that were detected by his departmental staff? Can he give me an indication of how many and what the process is involved here? Do these end up in court? Are these noncomplying individuals or companies charged?

**Mr. Driedger:** Madam Chairperson, as I indicated before that 580,000 vehicles have been processed in 1990-91, and we had 520,897 vehicles that were processed in the last current year from April 1 to March 31, and 945 of them dealt with overweight, 161 dealt with oversize, public service vehicles it was 29, faulty equipment and safety was 1,030, driver vehicle and licensing was 251, dangerous goods was 76, hours of service was 99 which was an increase of 44 from last year to 99 now, violation of oversize, overweight permits, we had 140 last year for a total of 2,731 violations where persecutions took place. We have other areas that deal with single-trip permits, designated regulated commodity permits, motive fuel permits over 5,000 of those, transit licences. So those are the areas, basically, that they dealt with under the compliance aspect of it.

**Madam Chairperson:** Item 2.(e) Transport Compliance: (1) Salaries and Wages \$1,620,100—pass; (2) Other Expenditures \$410,800—pass.

2.(f) District Offices: (a) Salaries and Wages \$7,603,800.

**Mr. Gregory Dewar (Selkirk):** I was just wondering, is this minister considering moving the Highway department, District 1, Highways office from Selkirk to Beausejour or any other rural community?

**Mr. Driedger:** Madam Chairperson, the member has been raising that issue quite regularly. I can appreciate his concern, because the rumours and the media have speculated on this for quite some time. I indicated to the member, at the present time we have not made a decision to move the office, but we are looking at changes all the time within my department in terms of being more efficient and delivering the program better.

I want to indicate that the speculation is not all idle speculation, that it is being looked at in terms of the fact that the office is too small. Their space is too small in Selkirk at the present time. We have a building in Beausejour where we do have space. So this is one of the things that is under review.

I want to indicate to the member that, rightfully, he is raising it and certainly the mayor of Selkirk and other people have raised the issue as well. I appreciate his concern in that regard, but I want to indicate again that a final decision has not been made in that regard.

**Mr. Dewar:** Could you tell me how many employees would be involved in such a move, if it ever happened?

\* (1530)

**Mr. Driedger:** I believe that we have approximately 45 people that are working out of the district office in Selkirk. Some of those are not stationed there; they operate out of the district office. Some of them are out on the various beats, et cetera, but basically they are being—I suppose, I am trying to look for the word—stationed there. That is where they operate from, they are not necessarily on site.

I just want to indicate that we have 40 positions out of Selkirk, out of the district office there. We have 18 out of the Lac du Bonnet office.

**Mr. Dewar:** I would like to thank the minister for that answer. All 45 jobs, of course, would be a

significant loss to the community. Who would make that final decision about such a transfer?

**Mr. Driedger:** Madam Chairperson, the government of the day would make that decision.

**Mr. Dewar:** Well, has the Minister of Highways been lobbied by any of his cabinet colleagues to move this office to another location?

**Mr. Driedger:** If the member is making reference to some of the media speculation that has been going on and my colleague, the member for Lac du Bonnet (Mr. Praznik)—I have to indicate that the member for Lac du Bonnet has not had any decision-making role to play in this decision, and it is not to that point. When we finally get to the point where a decision is pending, the members of government at that time will make that decision.

**Mr. Dewar:** At the recent Manitoba Association of Urban Municipalities convention, the minister was asked, I think by two of the town councillors, if the minister was considering moving. One councillor said he said no. The other said he said yes. Maybe he could just clear this up now.

**Mr. Driedger:** I just now want to indicate that they were both right.

**Mr. Dewar:** I hope it is the councillor who said no was the answer to that question. That concludes my questioning on that matter. Thank you.

**Mr. Steve Ashton (Thompson):** Madam Chairperson, just a brief question. I have a series of questions on winter roads. I just wanted to raise a concern of the fact that there has been another derailment on the bayline apparently outside of Pikwitonei. Yesterday there was a derailment affecting one car. It makes it the second derailment in just over a week.

It affected one car this time, but the concern in the communities is growing along the bayline. It is a concern we have expressed in this House about the deteriorating condition of the bayline. One derailment followed by another in a period of a week and a half cannot be dismissed as merely coincidence or beaver dams or washouts, et cetera. There is a real concern about the condition of the bayline that makes sense, given the fact that CN has been cutting back on maintenance along that rail line consistently for the last number of years.

To the Minister of Northern Affairs (Mr. Downey), this government should be raising this issue on a daily basis. He ought not to suggest that we are

trying to blame them for the situation in terms of CN, we are not. We are trying to get some action. We are trying to make sure the province is saying, it has gotten to the point where the bayline is getting to the point of being unsafe through deliberate neglect by the federal government and by CN.

The bottom line is my question: Will the minister, and I know he has raised this matter in the past, I am not trying to suggest he has not, but will he now in light of that second derailment immediately contact the federal Minister of Transport and say to the federal government directly that we need an upgrading of the bayline?

**Mr. Driedger:** Madam Chairperson, let me first of all indicate that the second derailment, which was only one car, apparently everything is fixed and everything is rolling again, even in the one at Thicket Portage, everything is on a go situation at the present time.

The first derailment was caused by a washout. This is a thing that no matter the amount of upgrading would necessarily avoid that, because what happens from time to time, the member alluded to the fact that beaver dams get built all over the place. It is a serious problem within my department. We spend a lot of time and a lot of money dealing with the problems created by beavers. What happens, they build their dams and when they break, this created the kind of a washout that happened at the first derailment.

The second one, I am just getting the report on that. There was only one car that got off the rail. I do not know what the details of that are at the present time. I am getting that report. I just want to indicate to the member that in terms of the general upgrading of the line, which, by and large, CN I think has a figure of over \$100 million that it is going to cost. The Saskatchewan government did a study, and they had a figure of \$35 million. We are working with various contractors to find out exactly what it would cost to upgrade the line to the point where we would be able to use hopper cars. I think we could use them right now but people have different opinions on that.

I just want to indicate that after having had the junior Minister of Transport, Shirley Martin, out last year to Churchill, she has indicated that she, as well as the federal Minister of Transport, Mr. Corbeil, are gathering information and figures, and that later on this year I expect that we will be getting together with

them to discuss by and large the future of Churchill, I suppose, and also the cost implications of upgrading the line. So there will be some decisions made, because there is no way that we can continually keep on operating the way we do on a year-to-year basis, not knowing how much grain is going to be moved and whether there is going to be a line, period. So these are some of the serious decisions that will have to be dealt with, in my view, within the next six months.

**Mr. Ashton:** Madam Chairperson, I would point out to the minister that previously, in 1984, as part of the federal-provincial agreement, transportation subagreement, there was upgrading.

I think that the minister has to accept the kind of comments that were put forward by our Transportation critic and the Hudson Bay Route Association, the bottom line being that we have to get in there if we are going to save the bayline and save the Port of Churchill and be part of that process. I want to say to the minister I am very concerned about the condition of the rail line because if you talk to the residents in those communities, they will tell you they feel it is not just a question of an isolated beaver dam; the line is not in good shape. This is coming from people who have worked on the railroad, many of whom have worked on the railroad for their entire life, still resident in those communities, and who are still working, the few that are. The bottom line is they are saying the rail line is in terrible shape, so I hope the minister will take a lead role.

This leads me into my next area of questioning, and I do not want to say "I told you so" too many times in this Legislature, but it is about winter roads. I want to say to the minister, I told him so. You may recall in terms of winter roads that the government cut the winter roads into Thicket Portage, Pikwitonei and Ilford, all three of which are served by the bayline. They cut it because residents of the community were told they had their own form of transportation.

It was reinstated into the Department of Northern Affairs where it should have been in the first place. I know residents were very pleased with that, and I was very disappointed at the time that Highways did not see the same priority for winter roads.

I think what has happened this last week and a half shows how tenuous the bayline is as a connection for people in those communities relying

on it for medical appointments, relying on it for groceries, relying on it for their connection to the outside world, because none of those communities has scheduled air service. The bottom line is, the bayline is their lifeline to the outside world.

In the case of Thicket Portage, the minister says it is back in operation, but it was close to a week before it was back in operation, close to a week. In terms of the derailment at Thicket Portage, there were six cars that derailed. Fortunately the passenger car did not. If the passenger car had derailed, we could have been dealing with a very serious situation, and I really get worried about potential for accidents in that area because of the fact it is isolated. If somebody were to be injured, it would be very difficult to get people out in a hurry to deal with that kind of situation.

\* (1540)

But I do have some further questions on winter roads, and I know that the communities in that area have been reinstated, but it is the continuing concern about the status of winter roads in this province. It is a concern that has been particularly expressed by members of First Nations, the southeast side of Lake Winnipeg. I had the opportunity to meet last week with a number of our caucus members including our Leader with representatives of the Berens River, Bloodvein, Garden Hill, Hollow Water, Puangassi, Poplar River, Red Sucker Lake, St. Theresa Point and Wasaykamak reserves, which are part of the winter road network that is connected through Nor-Win Construction, which is owned by the bands.

One of the major concerns they have is the continuing anomaly in Manitoba that, while in other provinces the winter road system is not directly funded from First Nations capital allocations, in Manitoba it is. It is cost-shared, but the reserves are having to take money out of their capital allocations to pay for them.

I would like to ask the Minister of Highways and Transportation (Mr. Driedger), on behalf of the communities affected, is the minister reviewing the current funding formula and funding policies in place, in the case of this particular road network, that would not see First Nations have to use their own capital budgets to support the winter road system, which by the way supports not just reserves but also a number of communities which are basically Northern Affairs communities that are under

provincial jurisdiction, that are not treaty communities? Will the minister indicate whether he is reviewing this particular concern that is being expressed by those reserves I listed earlier?

**Madam Chairperson:** Item 2.(f) District Offices: (1) Salaries and Wages.

**Mr. Driedger:** Madam Chairperson, the issue of the winter roads was raised by the critic the other day, and I explained to him how the funding aspect of it has changed to some degree, because the member is correct, it is part of the capital allocation.

At one time it was basically—we collect our money directly from the federal government, the department of Indian and native affairs, that is who we basically deal with on a cost-share basis to provide this service. Now, under the new system or the system that is changing in terms of the capital-cost allocations, the bands are supposed to allocate their money out of that portion of their capital program, which is given consideration when they get their capital allocation.

That is because of the funding that is being changed in terms of how they fund that to the communities. They are coming up and saying that we should be paying for the winter roads totally by ourselves. Well, I am not prepared to accept that. The federal government has the responsibility, and I am not going to let them get off the hook.

**Mr. Ashton:** Madam Chairperson, the concern of the communities is that they are being assessed the cost out of their capital allocations, and it is coming out of the communities. I would like to ask a further question on the assessment, last year they were assessed \$2 million. I would like to ask, given the fact it cost \$1,670,000, what is happening in terms of the difference of the balance in the assessment between what they were assessed and what it actually cost to construct?

**Mr. Driedger:** Madam Chairperson, I indicated earlier, last time when we were in the Estimates that 100 percent provincial, we have budgeted \$245,000. This is strictly provincial. Shareable with Canada, we spent \$3,330,000 for a total of \$3,575,000 has been spent on the winter roads. That is what is in my budget at the present time.

**Mr. Ashton:** Madam Chairperson, I am asking specifically for the difference between the assessment to the communities and the actual cost of constructing the road in that area? What has been happening with that difference?

**Mr. Driedger:** Madam Chairperson, I am not aware that there is really any problem, but I have had requests from the people from the communities that they are to meet to discuss this aspect of it, and I am prepared to do that. We will be trying to arrange a meeting very shortly. I have always felt that we had a very good working relationship, because when they came forward last year and asked us for advance money we worked that out with the federal government to make sure that they got start-up advance money which was different. In previous years they only got paid after the work was done and until we finally got the money from the feds. We have made some very positive changes with them, and I have always indicated we meet once a year. The Minister of Northern and Native Affairs (Mr. Downey) and myself meet with the groups and discuss, you know, how we can probably make things a little easier for them.

This aspect of funding that has come forward where they say that we should be taking over the total road system, I have to indicate to the member I am not prepared to look at that at this stage of the game. The funding allocation that they get under the capital is taken into consideration for winter roads. Now they want to take that portion of it away and say, well, it is our responsibility provincially, and I will not let the feds get off the hook.

**Mr. Ashton:** Madam Chairperson, the concern of the First Nations is not a question of letting the federal government off the hook but them having the money taken from their capital allocations. The minister might perhaps wish to meet with his appropriate counterparts on the federal side, perhaps Public Works, perhaps his counterpart in terms of Minister of Highways federally, because that is the concern of the First Nations that while theoretically it is the federal government that is paying, the money is coming from their budget.

I also want to indicate another concern, and that is in regards to the administrative fee that is being paid for to the province, the fact that the First Nations communities feel that in fact makes the federal contribution directly or indirectly, however it is calculated, higher and question the fairness to the communities. Once again a funding system that takes not only the 50-50 but the administrative costs out of funds that should be available to them as communities. I would ask the minister to sit down and meet with the representatives, and I would include the Minister of Native Affairs (Mr. Downey).



I am surprised the Minister of Native Affairs has not raised this matter with the Minister of Highways. [interjection] The minister says, how do I know he has not. Because we met with the representatives of the communities I listed.

I met with them last week as did many members of our caucus, and they made it very clear that they are frustrated in dealing with this provincial government and they would like a review of the system. They have asked, Madam Chairperson, that this government listen. [interjection] If the Minister of Northern Affairs (Mr. Downey) does not know the chiefs in those communities that shows how incompetent he is as Minister of Northern Affairs, and he ought not to try and disrupt the hearings of this committee because of his own ignorance.

So I will ask the minister once again, and he has indicated on the record he will meet with the communities, will he review the overall question and will he also look at the administrative fee and also the question, as I mentioned earlier in terms of the appropriateness of instead of taking it from the First Nations communities, of approaching the federal government directly rather than asking First Nations communities to be picking up the cost out of their capital budgets for winter roads?

**Mr. Driedger:** Madam Chairperson, yes, I am prepared to do that. I am going to gather the information from the federal government, and I have also indicated that I am prepared to meet with them as I do every year. We will meet again with them and discuss the pros and cons of it, but if the member is indicating here that they are frustrated and that they are not happy with the way we have been operating with them, I beg to differ on that, because we have had a good working relationship with them. I will question them when we get together with them, because we will be setting up that meeting and if that is the feeling that they are going to be unhappy, you know—because that has not been the context in terms of our conversations and meetings that we have had. It has been very amiable and we have been complying and making things better for them all the way along, and we will continue to do that.

**Mr. Ashton:** I hope the government will listen directly to the concerns, and I appreciate the undertaking of the minister to do so. I have one final question, and it is dealing with the question of northern roads.

I did not have the opportunity to raise this matter before, Madam Chairperson, and I may not have the opportunity to raise it later in terms of when we discuss the minister's salary, but I want to indicate that the concern I have expressed in the House in regards to the condition of Highway 391 which services a number of northern communities, particularly Nelson House, Leaf Rapids and Lynn Lake, is an ongoing concern.

I was in Nelson House this past weekend to attend a graduation at the high school, and every person I spoke to raised their concern about the condition of the highway.

\* (1550)

In addition, I would point out that I was in error in the House a couple of weeks ago, and I would like to correct the record when I said that two cars had overturned on the highway. There were in fact three cars that had overturned on the highway that weekend. Three others ended up in the ditch.

I know there has been some construction on that road in past years, but I can indicate, having driven the road as recently as this Saturday, it is in very poor shape. Many of the accidents have taken place in specific locations. I believe all six cars which either ended up in the ditch or ended up turning over were all on the same stretch of highway. Indeed, I have asked—as I spoke to one of the individuals involved in an accident on that stretch of the highway just a week and a half ago—I have asked them and they will be following up in terms of a letter to the minister outlining the concern.

The bottom line is, people are very concerned about the condition of the highway. When it comes to the priorities of the government we can debate whether the government should be spending money on Highway 75, the double-laning, when we have public safety at risk in terms of Highway 391 at the current point in time. There needs to be some serious upgrading of the road, and I can provide details on specific stretches. Anyone in Nelson House, Leaf Rapids, Lynn Lake and Thompson who has been on that road can also do the same for the minister.

So I would like to ask the minister, since I was unable to ask him directly in the House—I asked the Minister of Northern Affairs (Mr. Downey) and really got no response—whether the Minister of Highways (Mr. Driedger) will respond favourably to the pleas of the residents, particularly of Nelson House, Leaf

Rapids and Lynn Lake and also those in Thompson who use Highway 391, for something to be done about the problem with the highway.

It is unsafe. It is not just a question here of comfort. It is not just a question of damage to vehicles, although those problems are in existence. There are real concerns about the safety of that highway. Will the minister undertake to review the condition of the highway and review capital allocations to ensure that those safety problems are dealt with?

**Mr. Driedger:** The member raises not a new issue. I can recall the first time when I first had the position of being Minister of Highways and Transportation that I drove the road all the way from Lynn Lake, drove that whole stretch. At that time, they were very concerned and said it was a dangerous highway. I got driven by an individual who made sure he hit every pothole in the country, driving that road just to make his impact, so this is not a new issue certainly, with my department, but I have to indicate that we have ongoing contracts on that highway. In the last four years we have averaged close to \$3 million or a little better than \$3 million a year on that highway.

That is a fair amount of money. So, if the member wants to compare some of the roads based on the traffic, et cetera, we have put a fair share of money into that 391 every year. I want to indicate I realize the safety aspect of it. We apply calcium, and we have passing lanes every 12 miles so that people can pass where we apply the double calcium, so that people can pass safely.

Madam Chairperson, I realize, it is not the best highway. There are concerns out there, but we have ongoing programs that we are doing in terms of reconstructing. I think there is basically two sets of construction left, two 14-mile stretches that basically have to be upgraded yet, which is, I think, the portion that there are the most concerns about.

**Mr. Ashton:** Madam Chairperson, just to conclude, I would like to invite the minister to come with me on a new fact-finding tour of that area. In fact, I would like to invite him whenever is convenient to come to travel along 391, come along to the access road at Nelson House.

I say that having known that in other areas—and I just want to put on the record some of the concerns I raised on behalf of the community of Split Lake in regard to the ferry crossing and whatnot. He has

responded in other areas. I know him to be a fair individual. I realize it may be difficult in his caucus sometimes when it comes to allocating of highways' budgets, a caucus that seems to want to put comfort for cross-border shoppers as a top priority. We can debate that at any time, but the minister knows that whatever money is spent on 391 in the past pales in comparison to what is spent for Highway 75.

But I do want to say that I know he has had a fair and open mind in terms of other matters, and I would appreciate it if he could come into the community. Believe you me, this is a northern community—in the case of Nelson House and Leaf Rapids, people know what it is like to have rough roads, but it has gone beyond that.

People are very concerned about the safety, and I really think that if the minister was to travel with us—and I am sure the Liberal critic would, I am sure, be interested in coming up and seeing the condition of the road. I think he would agree with the communities that something has to be done before someone gets hurt.

I will say that, Madam Chairperson, I do not use that kind of language very often: Someone is going to get hurt on a couple of the stretches of the highway. I am prepared to provide complete details. In fact, I have a series of letters from residents of Nelson House which I can provide to the minister. I will be receiving those within the next two days, about specific problems and incidents on that highway. So I appreciate anything the minister could do, anything that this government can do in terms of dealing with the unsafe conditions.

**Mr. Driedger:** Madam Chairperson, I think first I will indicate to the member that if and when we ever get out of this session that I am prepared to do extensive travelling in the North this summer, just to get acquainted with it. Also, I want to indicate that we have been spending a fair amount of money up there in the North. For example, on 373 we put a new bridge in to Norway House. We have also done that stretch of road within the community where between the Minister of Northern and Native Affairs (Mr. Downey) and myself, we came to an arrangement: which was going to be my responsibility, which was his. We have operated that road up to the airport. We have ongoing work on 373 as well as 391 and that will continue.

**Madam Chairperson:** Item 2.(f) District Offices: (1) Salaries and Wages \$7,603,800—pass; (2) Other Expenditures \$1,260,000—pass.

2.(g) Other Jurisdictions: (1) Gross Expenditures \$3,030,000—pass; (2) Less: Recoverable from Other Appropriations \$1,000,000—pass.

Resolution 76: RESOLVED that there be granted to Her Majesty a sum not exceeding \$75,403,400 for Highways and Transportation, Operations and Maintenance, for the fiscal year ending the 31st day of March, 1993—pass.

Item 3. Planning and Design and Land Surveys  
(a) Planning and Design: (1) Salaries—

**Mr. Reid:** Just one quick question for the minister: I know the Minister of Northern Affairs (Mr. Downey) would like to dispense with any discussions on this, but this is a concern that was raised by a constituent in the Interlake area, and I know he does not like to hear from the public in Manitoba about their serious concerns, but I will advise him right now that I am going to raise this matter right now with the Minister of Highways, contrary to the Minister of Northern Affairs' wishes.

We have received a letter from an individual. I believe it comes under Planning and Design, and this was a piece of land that was expropriated by the—[interjection]

Are you finished?

**Madam Chairperson:** Order, please.

**Mr. Reid:** Whenever the Minister of Northern Affairs is finished, Madam Chairperson, I would be pleased to place my question.

The individual was concerned because a particular piece of property was expropriated by the railway quite a number of years ago from his family, and, of course, that railway has abandoned that line. I am talking about along Highway 222, from Camp Morton to, and I will spell it because I cannot pronounce it, Hnausa. That particular piece of property has been taken over, a section of it, by the Department of Highways, and another section of it, I believe, of that abandoned rail line is going to be taken over by Culture and Heritage for a trail. The individual would like to have the opportunity to have that property back but, as a last resort, indicates that if the Department of Highways needs 50 feet for its frontage for ditch purposes, the individual would be interested in acquiring the remaining 50 feet of that total 100 feet that was there.

If I were to forward this concern, which I think has already been drawn to the minister's department's attention, would the minister's department be willing to look at allowing this individual to gain back that extra 50 feet that he can use for his operations?

\* (1600)

**Mr. Driedger:** Madam Chairperson, I do not know if this had crossed my desk already or not. Certainly, we would be prepared to give that consideration. I just want to indicate the normal process when the rail line is abandoned, the process of turning the property back. Ultimately, I think, the federal government turns it over to the province, and the province then goes through a process of letting each department know to see whether they have any interest in this property. Failing that, then the next step is that the municipalities get first crack at it, and if nobody has expressed any interest in this property, then ultimately we turn it back to the people who, by and large, owned the land at one time. In this particular case, I will see what the requirements are from my department and cultural departments, and if there is no problem, prepare to allow the individual to see whether we can turn that back. Without having the details of it and knowing what our plans are, I cannot really give a definitive answer at this stage of the game. If the member wants to send it forward, I will have staff look at that.

**Mr. Reid:** I had asked the minister once before, and I guess I should clarify. I know he, each year, issues an annual construction program list, but it was my understanding that last year, too, he also had a list of projects that had already been tendered and tenders that had been accepted and let.

Can the minister advise us whether or not he has a similar list for this year's projects?

**Mr. Driedger:** Madam Chairperson, the member had raised this with me earlier, and staff is compiling that information. I should have it shortly. I will make it available to both critics similar to the way we did it in previous years. He had raised it with me. I made staff aware of it, and I am waiting for the response to come back.

**Madam Chairperson:** Item 3.(a) Planning and Design: (1) Salaries and Wages \$1,986,100—pass; (2) Other Expenditures \$448,500—pass.

3.(b) Land Surveys: (1) Salaries and Wages.

**Mr. Reid:** The minister's department undertook to close some 2,000 kilometres of provincial roads in the last year. Under this section, of course, it talks

about preparation and processing of closing orders and declaration and abandonment for PTHs and PRs.

Can the minister give an indication whether or not there is any further consideration of his department to any further abandonment or closing or transfers of any of the PRs, PTHs in the province to the municipalities or otherwise?

**Mr. Driedger:** Madam Chairperson, I certainly hope not, because it has been a very difficult process. I want to indicate that in fact we still have the odd meeting with some of the municipalities, in terms of trying to see whether we can make some adjustments that are more compatible to them, but no, there is certainly nothing further that I am aware of about turning back any further roads.

**Madam Chairperson:** Item 3.(b)(2) Other Expenditures \$314,500—pass; (3) Less: Recoverable from Other Appropriations \$1,534,500—pass.

Resolution 77: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,434,600 for Highways and Transportation, Planning and Design and Land Surveys, for the fiscal year ending the 31st day of March, 1993—pass.

Item 4. Engineering and Technical Services (a) Management Services: (1) Salaries \$142,600—pass; (2) Other Expenditures \$22,200—pass.

4.(b) Mechanical Equipment Services: (1) Salaries and Wages.

**Mr. Reid:** Maybe the minister could give me an indication—and he can advise if it is more appropriate for me to ask the questions relating to ferry service under the Marine Services section. Would it make a difference to his staff who are available?

**Mr. Driedger:** Go for it now, Madam Chairperson.

**Mr. Reid:** The minister has, in past Estimates, provided us with information relating to the different airports and ferry services in the province, and we appreciate the information that he has provided.

Are any changes being planned to the ferry services that are in operation in the province by way of decreased hours or increased hours, to any of the operations or any of the facilities currently out of service operation?

**Mr. Driedger:** Madam Chairperson, I want to indicate to the member that there are no changes from other years. We have requests from time to

time from communities where they want extended hours. The Bloodvein community asked whether they could have—we operate there five days a week, and because I think they are putting in sewer and water in their community, they wanted to know whether they could have longer hours or more days. We reviewed it. Staff has been out talking with them as well as the contractors, and provisions are being made that if the contractor needs to bring in additional supplies that he will take—the contractor will pay, but the staff is prepared to work the extra hours to take and move equipment and materials and supplies as required.

**Mr. Reid:** Madam Chairperson, can the minister give me an indication: Are all of the ferries on more than one round trip per day or are there some ferries that are only providing service on one round trip per day?

**Mr. Driedger:** Madam Chairperson, each ferry has its own schedule. Some are daily schedules; some are on a weekly basis. I can indicate to the member that I will get him details as to the operations of each of the ferries so that he knows exactly which ones are operating at what times—for both critics.

**Mr. Reid:** Thank you. I appreciate that information that the minister will provide. I raised the question because I have been contacted by individuals who were concerned that their ferry services were only operating on a once-a-day schedule. They had advised that they thought it would provide better access to the community and out of the community if that operation was to move to a twice-a-day schedule. Once the minister provides me with the list, I will raise with him the other concerns that the resident had about that ferry service, and maybe the minister can give me an indication on whether his department can have that service operated on a twice-daily round-trip schedule.

**Mr. Driedger:** I am sure that in almost every case the people would probably like to have an improved and extended service. We keep reviewing this, but I have my financial budgetary figures that I have to work with, and within reason we try to comply with whatever requests that come, within reason based on the finances that I have. That is why I raise the issue of Bloodvein because they had a special request and we have tried to deal with that, and I think the community is happy with the arrangement we have. Once the member gets a copy of all the ferries and hours, I am prepared to sit down and discuss it further with him.

**Mr. Reid:** I thank the minister for that.

I know last year when we were discussing his budget during debate on the Estimates, the minister thought that there was going to be a great financial saving for his department. It is our understanding that there was not that great saving that was there. The minister, after consulting with his departmental staff, saw fit to reinstate some of the service there because there was not that great saving as had been anticipated. That is another reason why I raise it. It is my understanding that there is not a great cost to provide that twice-a-day round-trip service for these people because that ferry is in service, the staff are there already, and it is only the minimal fuel requirements that would be required for that round-trip basis.

**Mr. Driedger:** As I indicated, Madam Chairperson, I will provide the lists and the hours and the schedules that are being run, and if the member feels that there should be different consideration given, I will review it with him at that time.

\* (1610)

**Madam Chairperson:** Item 4.(b) Mechanical Equipment Services: (1) Salaries and Wages \$7,750,000—pass; (2) Other Expenditures, \$11,230,000—pass; (3) Less: Recoverable from Other Appropriations, \$21,771,000—pass.

4.(c) Warehouse Stores: (1) Salaries and Wages, \$464,600—pass; (2) Other Expenditures \$138,900—pass; (3) Purchases \$6,400,000—pass; (4) Less: Recoverable from Other Appropriations \$6,400,000—pass.

4.(d) Northern Airports: (a) Salaries and Wages.

**Mr. Edwards:** Madam Chairperson, just one question on this to the minister: I note the amount recoverable from Canada here is \$407,000 out of a budget in excess of \$5 million; is that the extent of the federal contribution? If so, that seems awfully small to me, given their responsibility not just for aboriginals and the requisite transportation services for them, but also the federal jurisdiction over airports generally. Is that the extent of the federal contribution, and if so, is the minister actively pursuing a higher level of assistance in financing these northern airports?

**Mr. Driedger:** Madam Chairperson, that \$470,000 basically is, we share responsibilities at Norway House. The balance of it is for weather reporting which we recover from the federal government. Other than that, it is the provincial responsibility in

terms of looking after the northern airports, and I have to indicate that I think we have done a pretty good job in terms of the maintenance there. At least, meeting with Perimeter Air and some of those people, they feel that we are doing a pretty good job.

Incidentally, I might indicate that it is mostly native people whom we basically employ in these communities there, and we are very happy with the work that is being done.

**Mr. Edwards:** Can the minister give an indication if there are any upgrading programs planned for any of the northern airports for the coming year?

**Mr. Driedger:** Madam Chairperson, we look at continuous upgrading. Of a major nature, we are looking at doing some work at the Red Sucker Lake airport, and we have also others where we have ongoing—where we would like to extend the runways. We try to arrange cost sharing with the feds. We are not very successful at the present time in terms of getting them to participate financially.

I would like to actually see many of our runways—actually pave them and have good runways out there, but I do not have the finances available to me in my department. If we could make some arrangement with the feds, it would make it a lot easier. Other than that, we are working with the federal government in terms of the Wasagamack airport. We also have other requests, other communities, that want either their runways extended or new ones built. It is an ongoing process. Certainly, I think we have made a commitment from our government together with my colleague the Minister of Native and Northern Affairs to try and see whether we can prioritize Wasagamack in terms of getting them an airport. But we still have not got the go-ahead with the feds in terms of the cost-sharing arrangements.

**Mr. Edwards:** Does the minister mean for Wasagamack, is that in addition to the Garden Hill airport terminal facility that is there already and the runways?

**Mr. Driedger:** Madam Chairperson, that would be a new strip for Wasagamack. We have two strips out there right now. We have one at St. Theresa and Garden Hill. Incidentally, they are very busy airports out there, as well. We are looking at the one at Wasagamack as a single entity. It would be just to serve the community of Wasagamack.

**Mr. Reid:** I have had the opportunity over the course of the last two years to utilize these different

airports in the northern part of the province. It has been my experience, from my limited knowledge of it at least, that they appear to be in very good shape.

There is some concern about the lengths of some of them, of course, and they are only able to service certain types of aircrafts which puts some limits on the ability of the communities to move passengers and freight in and out of their communities because of the limitations on the size of the aircraft that can service them. I think that was drawn into pretty clear understanding by the rail derailment that was in Thicket Portage and the fact that they did not have any opportunities to move their product in and out of their community and that they were limited by aircraft size because of their airport facilities.

There was also some concerns that were raised with us when we were on a recent swing up north about the cost of shipping freight traffic in and out of these northern communities, because these communities are locked in and they do not have access to other modes of transportation to any degree, the concern by what some might consider to be price fixing in some of these cases. I use that term guardedly, because I have no way of confirming one way or the other whether that is taking place. The concern there is that their product can only be taken out of their communities by air and that they have no control over the air fares that are charged to them. Now it may be that these air fares are legitimate cost recovery and to provide for a margin of profit, but the concern is that there is no regulatory program or policy that is in effect that would cause these particular airlines that are servicing these communities to be answerable to anyone.

Can the minister provide any information or any clarification on those concerns?

**Mr. Driedger:** Madam Chairperson, if there is concern about the rates that are being set, the individuals supplying the service are the ones who can set their rates. However, if the people are unhappy, they can make application to the National Transportation Agency to have the rates reviewed. That is sort of the safeguard that is out there. They have that option. If they feel their rates are too high, then they can take an appeal to the National Transportation Agency to have it reviewed.

**Mr. Reid:** I thank the minister for that. I will pass along that information that the minister has provided

to give those communities the opportunity to have their concerns addressed through the NTA.

We had some concern in past months about the federal government's appearance to renege on the hanger facilities for Churchill. Has any progress been made on that? Is that stalemated or has the federal government totally abandoned their plans for Churchill's airport facilities?

**Mr. Driedger:** Madam Chairperson, let me indicate that we are not making much progress with that one, but that was a commitment that was still out there. They still say it is a priority. On the list of the priorities, I do not know where it is, but I can indicate to the member that I intend to bring that forward very strongly when we meet with the two ministers, Shirley Martin as well as Corbeil, this fall when we review many things. This is certainly going to be one of the things that we will be using as a negotiating point with them.

\* (1620)

**Mr. Reid:** I hope the minister will raise many other issues, as I am sure he will, about Churchill, because I think it is important to the community that if we continue to ship grain products through the port and we want to have that community continue to play a role in northern Manitoba into the future, the airport is obviously going to be very important, as will the rail line to that particular community. I think that if there is going to be any kind of provincial government hopes or aspirations to get that rocket range reactivated and the program off the ground, the airport is obviously going to be instrumental in ferrying in staff and any equipment as well as the railway operations themselves. So that is one of the reasons why I raised the hangar facilities and the role that it can play in the future for Churchill.

I have no other questions on that particular section for now.

**Madam Chairperson:** Item 4.(d) Northern Airports: (1) Salaries and Wages \$3,146,100—pass; (2) Other Expenditures \$1,858,100—pass.

4.(e) Marine Services: (1) Salaries and Wages \$610,300—pass; (2) Other Expenditures \$445,000—pass.

4.(f) Materials and Research: (1) Salaries and Wages \$1,423,000—pass; (2) Other Expenditures \$254,000—pass.

4.(g) Traffic Engineering.

**Mr. Røld:** I will be very brief here, Madam Chairperson. I received some correspondence from an individual who made me aware of a situation that I had not previously been aware of, and that was dealing with the traffic control devices, the lights. There appears to be a difference in policy between the provincial highway programs that have traffic control devices, the traffic lights, versus the City of Winnipeg and the traffic control devices.

The minister can correct me if I am wrong. In the city of Winnipeg we have arrows to control turning for different directions. Yet, in the minister's departmental highways we use the flashing green lights. Now, this individual has indicated to me that it has created some confusion. If we have visitors coming to our province and we see one policy for the City of Winnipeg versus one policy for the highways in the province of Manitoba, it may create some difficulties or some safety concerns.

Can the minister give me an indication on discrepancies between the City of Winnipeg policy versus the provincial policy?

**Mr. Driedger:** Madam Chairperson, we follow the manual of traffic administration of uniform traffic control devices. The city is the traffic authority. They are the traffic authority in Winnipeg, and they can set whatever standards, I suppose, they want, on how they do that. We do not have any authority over that because they are the traffic authority.

When the member makes reference to arrows showing, for example, we do have some of those in the rural areas as well, where we feel it is warranted to do that; but they have their authority and we have ours. We follow the manual of uniform traffic control devices as set out which is national. It is a national standard.

**Mr. Røld:** So if I understand the minister correctly, while his department may adhere to and put into practice a uniform program that is across the country, that there is no policy or no working together of the City of Winnipeg with the minister's department to have some kind of uniform policy or program in this area.

**Mr. Driedger:** Madam Chairperson, I want to indicate to the member that we have no authority over the city in terms of that. They have their own traffic authority, and I do not think there is that much variance in there. But we do not have a say as to how they should do that.

**Mr. Edwards:** Two questions. I received a letter from Mr. and Mrs. Unruh back on April 4, 1992, with respect to a traffic flashing light at the intersection of Highway 1 west and Highway 26. It recounted a conversation with a Mr. Ross Adamson and went through some of the reasons he gave for the removal of that red light. Can the minister indicate what his response was to Mr. and Mrs. Unruh and whether or not the red light has been restored at that intersection?

**Mr. Driedger:** Madam Chairperson, I can recall the correspondence that came forward that was raised about the flashing lights. We have certain warrants or standards which we use to apply as to whether we have flashing lights or not. In this particular case, the warrant was not required anymore. I can probably get a copy of the letter that was replied to the Unruhs if the member wants. It was just recently that I sent it, and I can get him a copy of the letter explaining why we took the action we did.

**Mr. Edwards:** I would appreciate receiving a copy of that in particular, because it appears that the reasons given by the department are taken issue with point by point with the Unruhs, and they conclude, of course, that the flashing light was a safety factor which they relied upon. So I would appreciate seeing the minister's response, in particular, on the issue of safety.

I realize that the department may feel that it is superfluous to the needs of the area, but having residents in the area speak out like is, those who know the road saying it is a safety factor should weigh heavily, I would think, in terms of determining whether or not it should be left in place. If there is an error to be made, it should be on the side of caution, I would think. Unless this poses a safety risk and can be proven so, I would assume the minister would want to keep it in place, given that the local residents see it as a safety enhancement feature.

My second question to the minister is on the issue of pedestrian corridors. It is simply whether or not the pedestrian corridors the provincial department uses flash red or yellow. I note that the ones in the city flash yellow. I also note that they tend to be the scene of many, many injurious accidents to pedestrians in the city of Winnipeg, so much so that critics of pedestrian corridors in the city have referred to them as death traps, and they certainly have been the scene of many accidents. I wonder if it would not be better that they flashed red, and I

often think that when I am travelling. You are supposed to stop at a pedestrian corridor, not just show caution when the light is flashing when someone is going to walk. It is mandatory to stop. The light should be red, because red means stop. What colour are the lights provincially, Madam Chairperson?

**Mr. Driedger:** Madam Chairperson, let me first indicate to the member on his earlier comments that safety is one of the biggest concerns within my department. Everything we do, basically, we gear towards safety within reason. We have certain warrants that we use, for example, setting up lights, crosswalks, et cetera. I am going to get a copy of my letter to the members so that we can have further discussion on whatever we want.

He makes reference to the fact that we should have red lights flashing at the crosswalks and staff informs me that the yellow flashing lights are the national standard across the country and the yellow flashing light is supposed to be a caution light. That is why we use the yellow. I do not know whether the discussion has come up in a broader basis in terms of the red or not, but I will keep that in mind.

**Mr. Edwards:** Madam Chairperson, I am aware of the national standard and the discrepancy is this. The yellow lights are there to highlight an area, a crossing that might be used by pedestrians, and they are there to warn motorists at any given time that someone might be crossing that crosswalk. That is fundamentally different than a pedestrian corridor where to activate going across the street someone pushes a button, that is, by pushing the button you signal that someone is going to cross.

I do not know if, provincially, we have that type where you push a button. I do know that we have them in the city. I know that if you read the driver's manual and if you read The Highway Traffic Act, you will see that when the light is flashing signalling someone wants to cross, you have to stop. Therefore, the yellow national standard should not apply in that circumstance. It should be red, because it is not just a cautionary signal. It is a stop signal under The Highway Traffic Act and under the driver manual. So it goes beyond the cautionary signal of the national code.

I do not know, as I say, if we have any provincial corridors that are activated by pedestrians as we do in the city of Winnipeg. I can tell the minister for his edification that the pedestrian corridors in the city of

Winnipeg have a notoriously bad record for being the scene of injuries to pedestrians.

\* (1630)

I guess I would like to leave this point asking the minister to take that point up and look at it with a view, perhaps, to representing that issue to the City of Winnipeg because I have made representation to city councillors on this issue. I have yet to come across one that has not agreed with me, but they still flash yellow. We do not have jurisdiction over the City of Winnipeg, but if the minister feels able in time, if he reviews this issue, to take up that cause I would appreciate it, because I think it is clear that a pedestrian-activated pedestrian corridor requires stopping. The lights should be red, not yellow.

**Mr. Driedger:** I have taken note of the member's comments.

**Madam Chairperson:** Item 4.(g) Traffic Engineering: (1) Salaries and Wages \$813,500—pass; (2) Other Expenditures \$5,502,000—pass; (3) Less: Recoverable from Other Appropriations \$1,000,000—pass.

4.(h) Government Air and Radio Services.

**Mr. Reid:** The minister has provided, in the past, some information on the air transportation, the two Citation aircraft that the province owns and maintains, one operated, I believe, for the air ambulance and the other one for other and various uses, including backup air ambulance. The minister was kind enough, last Estimates, to provide the total hours that were flown, the patient transfers and medical emergencies by hours and a breakdown of government business as well.

Will the minister provide the same information for last year, please?

**Mr. Driedger:** Madam Chairperson, I want to indicate to the member, I am prepared to bring that information forward. I do not have it here now, but I will get it for you.

**Mr. Reid:** I appreciate that. I understand the way the minister handled it the last time, and I have no difficulties with it at this time.

There were some concerns the minister had raised in a ministerial statement earlier this session concerning the air ambulance. Can the minister provide us with any further information on any progress in the discussions that are taking place between the federal government and his department relating to the air ambulance service?



**Mr. Driedger:** At one stage of the game we were considering taking the matter to court, but we have been trying to negotiate with the Transportation department, federally, and I think we are making progress. I am hoping that we probably will resolve it without having the issue go to court. We still have that option of going to court, if all else fails, but we think we are making progress, and hopefully I can have a positive announcement within maybe a couple of months.

**Mr. Reid:** Because the province has obviously the equipment and the trained staff for that type of service, is the minister's department still going to keep the air ambulance under the auspices of his department? Is that going to remain a function of his department, or are there some considerations underway or ongoing to looking at privatizing this particular service?

**Mr. Driedger:** Madam Chairperson, at the present time there is no consideration to having any changes made. I want to, once again, put on the record the quality of our staff in terms of providing the kind of service that they do. I think it is exemplary, and I am very pleased with the way we are operating. No, we are not looking at any changes, just hoping to get the issue resolved with the federal government and then we should be in good shape.

**Mr. Reid:** I and my colleagues, as well as, I am sure, all members of northern Manitoba are quite concerned about this. We hope that this gets resolved in the near future and our province can continue to provide that essential service for the residents of northern Manitoba and for many of these isolated communities.

The province also has water bombers that we use for forest fire suppression in the province. I take it with the start of the forest fire season—and we heard through the media just this weekend some of the equipment has been pressed into service—can the minister give any indication if there are any changes planned for the operations, as he had indicated in the last Estimates, for the way we utilize and provide that type of water-bomber equipment service to other jurisdictions?

**Mr. Driedger:** Madam Chairperson, I want to indicate that there has been no change in terms of how we operate. We have reciprocal agreements with other provinces where, if we need some of their units, they provide them and we do likewise.

Incidentally, units are often operating, as they are up North right now. There are no changes in the method of how we operate.

**Mr. Reid:** To zero in more closely on the staffing, it shows that there is a decrease in the staff for this portion of the department, decreases as a result of efficiencies gained due to consolidation of activities. Can the minister give me an indication as to what activities were consolidated and where these people were employed, what part of the province?

**Mr. Driedger:** Madam Chairperson, the positions, the four positions that the member is alluding to, three were pilots and one was a mechanic. The mechanic's position was vacant, and we felt we did not have to replace that one and gave that position up. The others were three pilot positions.

**Mr. Reid:** So we lost three pilots' positions and one mechanic. The mechanic does the repair on the aircraft and the pilots do, obviously, the flying through various hours of the day. We had a decrease in the service requirements for the aircraft?

**Mr. Driedger:** We changed our ways of operating. Where we provided 24-hour-a-day service, we felt it was not necessary, so we made some revisions in that respect, and that is why the changes in staffing.

**Mr. Reid:** I had the opportunity recently to talk to an individual who used to fly government service, the aircraft for the government, not necessarily just in this jurisdiction. The individual, by my limited experience again, seemed to have a broad-based knowledge of requirements. When I started thinking back on some of the recommendations that he has made and indicated for the safe transportation of anyone utilizing this particular equipment or operating this equipment, whether it be the patients of the air ambulance, government personnel or others travelling on government aircraft, the individual made several recommendations that could be put into practice. I will provide that for the minister at another opportunity. I have to talk to him. I think some of the recommendations were very valid, and I provide that for him for his department to take under consideration with possible implementation, and I will provide it when the Estimates are complete.

**Mr. Driedger:** Madam Chairperson, I have no problem with the member forwarding that information, though I want to indicate that we feel very sensitive and proud of the fact that we are

operating within the requirements addressing the safety aspect of it. Certainly, I am not adverse to looking at further suggestions. We will take them under consideration when he forwards that information.

\* (1640)

**Madam Chairperson:** Item 4.(h) Government Air and Radio Services: (1) Salaries \$3,831,500—pass; (2) Other Expenditures \$5,815,300—pass.

(3) Less: Recoverable from Other Appropriations \$8,651,000—pass.

Resolution 78: RESOLVED that there be granted to Her Majesty a sum not exceeding \$12,025,100 for Highways and Transportation, Engineering and Technical Services, \$12,025,100 for the fiscal year ending the 31st day of March, 1993—pass.

5. Transportation Policy and Research (a) Salaries.

**Mr. Reid:** Madam Chairperson, I have several questions under this section, because this is obviously very important to many people in the province of Manitoba, Manitoba having a historical role in transportation. It also provides many quality job opportunities for Manitobans.

In my own community that I represent, have the honour of representing, there have been many layoffs in the transportation sector, and we are going to see some further layoffs this summer in large numbers. Although the majority of these are only for a short time, an extension of two months, it is obviously very difficult for the families that have to endure these layoffs. There is also the fact that there are going to be quite a number of employees in the CN Transcona plant who are going to be on permanent layoff. There are many, many rumours that are still swirling about the community about further layoffs that are going to come about in the very near future, and I am talking about after the summer, after the employees are supposed to be called back to work.

Has the minister or the government, through other departments, or the Premier (Mr. Filmon), had any discussions with officials of CN? I know they have a long-term plan and a short-term plan that they bring forward and are supposed to discuss from time to time with the government.

Can the minister give me any indication of CN's plans for their employment in the community of

Transcona and other sites that CN has a staff employed throughout the province?

**Mr. Driedger:** Madam Chairperson, let first of all indicate that I meet with representatives from CN from time to time and, invariably, the aspect of layoffs and job opportunities is one of the things we always discuss. I want to indicate to the member, as well, that actually the percentage of employment that we have in Manitoba compared to what it was has actually improved, in spite of the fact that there are layoffs. Obviously, there are more major layoffs in other parts of the country, because where we used to have—and I mentioned this before—in 1982 Manitoba had 11.4 percent of CN employment, we now have 14.4 percent of CN employment. So, comparatively, our situation has improved.

In our discussions with CN, we keep pushing the aspect of it, expressing our concern about layoffs, and invariably they have indicated that they are trying to operate more efficiently and that they can retain employment. They have to be competitive as well. They have to be responsible, so we have many discussions about it.

They have to make decisions and announcements, I believe, six months prior to any implementation that they take on, and usually they discuss this with the unions first before anything happens. The unions are usually apprised of it virtually as soon, or sooner than I am, in many cases. Invariably, the record of their negotiations when they do have their layoffs, they have a good separation package, the union is usually the one which ultimately, finally, accepts the positions that they bring forward to have deleted. But we do have the ongoing discussions with them, both myself and the Premier (Mr. Filmon), on occasions when we meet with representatives of CN, always raise the issue of how important jobs are to us in Manitoba. We will continue to do that.

**Mr. Reid:** I am aware of the provisions in the contract for the employees. I am aware that CN has the advice notice that goes out that they have to consult with the unions and give them an idea of what the future holds for the employees.

I was also of the impression that the minister's department is kept apprised of what plans are ongoing and the answer that he gave here, right now, does not give any kind of an indication of what these employees of this particular operation can expect. It is very important to their future that they

could have some opportunity to plan. They do not just need something dropped on them at a moment's notice and say, okay, that is the end of your career, go out and find another job. It is very difficult to do in these situations these days where jobs are not that plentiful. That is one of the reasons why I would like to know if CN has given the minister any indication.

I know what their percentage employment levels are in the province, and if the minister cannot give me a direct answer on what CN's plans are, I can appreciate that, just tell me that. If there are some things that he has taken in confidence that CN has not finalized at this present time, that they are still contemplating, he can give me that indication as well.

**Mr. Driedger:** Madam Chairperson, there are no secrets here as far as I am concerned. I am not aware of any further layoffs at this time and invariably, I think I want to indicate to the member, I want to be cautious as well because I think CN feel their responsibility to their workers and to the unions, and usually they are the ones who become aware of it. I am not aware of actually a game plan of CN's much in advance of what the union is becoming aware of it, because they basically sit down and discuss with them, so I have no dark hidden secrets. I am not aware of any major changes that are coming forward at the present time.

**Mr. Reid:** Because this was quite an interest to the province in the last session where we found out that CP Rail was diverting traffic around the province of Manitoba, which, in turn, took away job opportunities in this province and much needed revenue for the province.

Can the minister indicate whether or not Manitoba has been successful in—because we have, as the government, the Minister of Finance (Mr. Manness) states from time to time, lowered the fuel tax on the railways. Has CP brought back any of that traffic that was bypassing the province? Has CP Rail given any indication to the province of any of their intentions to further divert traffic around the province?

**Mr. Driedger:** I am certainly not going to be defensive of any of the actions that CP has taken, but I want to indicate that CP acquired the Soo Line, the Soo rail line in the States and the route that they are shooting some of their product through there is 200 miles closer, I think, by using that route. What

we have tried to do is try and make us be more competitive as a province, because the member is well aware that between ourselves and Saskatchewan we have the highest locomotive tax across the country.

What we have done by lowering it a cent a litre for the railways is to signal the fact that we think that they are a very important component in our economy here, and I believe it impacts to the tune of approximately a million dollars—\$1.6 million between the two railways, the impact that it has. Basically, in my discussions with them I have indicated they would have liked to see more, yes, but at least it is an indicator that we realize the concern that they have, and we have tried to address it to some degree.

**Mr. Reid:** I provide this for the minister's information then, because it came to my attention a short time ago. CP Rail is still continuing to divert traffic around the province. In fact, they are now currently diverting new traffic that has been generated recently around the province. It was in one of their publications, that shipments that they managed to get from another producer in western Canada, they bring and run down on their U.S. line and run around the province of Manitoba.

So it is not only the coal and the potash, we are talking a product like liquid sulphur. So there are other products that they are running around the province as well which are taking away the job opportunities and revenues for the province.

I draw that to the minister's information so that quite possibly he can have some consultation with the railway, with CP Rail, to find out how much further they are willing to pursue this direction that they have obviously taken that is only in their own best interest.

\* (1650)

**Mr. Driedger:** Naturally, I am very concerned about the comments the member has made as it is my understanding that they are doing that only where they are supplying the American markets, but I will take note of that and try and get further information and see exactly what is happening.

**Mr. Reid:** To switch to another mode of transportation, to the airlines, can the minister give me an indication on the status, any progress being made at the open skies discussions, what point we are at with those negotiations. Are there further negotiations that are contemplated in the near

future, and are any meetings scheduled between this minister and any of the federal ministers dealing with this open skies?

**Mr. Driedger:** Madam Chairperson, I want to indicate, based on the position that we took forward to the federal government that we wanted to have a role to play in there. They accepted that recommendation, and we have—one of my staff people, prior to every meeting, gets briefed and gets debriefed after the meeting. The member can accept the fact that we could not all be at the bargaining table, but, as I indicated, we got briefed and debriefed right after every meeting.

There will be another three or four rounds of negotiations taking place before anything comes forward. I want to indicate, I believe that the federal government is conscientious. In my conversations with Lewis, who was the minister at the time when this started, indicated that unless it was going to be a better deal for Canada there was no sense in doing it.

I understand that cabotage has already been removed from part of the discussions, and that is not on the table. So the last time that these negotiations took place, I am talking previous to this round that is in progress now, years ago we came out with a very bad deal for Canada, and I want to indicate that hopefully this is going to be better.

I have major concerns about the financial status of our two national carriers, both Canadian and Air Canada. Their losses have been dramatic. I understand that Air Canada has lost \$164 million in the first quarter of this year again. We will be meeting with both Canadian and Air Canada representatives to give them our views in terms of the possibility—I, certainly, from my personal perspective, would not have any problems seeing the two of them really merge instead of them both losing out ultimately and having other carriers coming here and take away the business.

I indicated to the member the other day when I spoke, the concern that I have about both Canadian or Air Canada tying in with the big carriers from the States, even if they can only buy a percentage into the lines that we have. Ultimately the concern that we have is that more and more of the work and repair and fuel will probably be moved down to the States. I register those concerns, and will continue to do so and try and meet with them to try and see what kind of impact we can have on that.

**Mr. Reid:** I know the minister's department will be involved with those. It is obvious that we should play a significant role in any of those discussions that are ongoing because of the impact that it is going to have and could have on the province of Manitoba, from the employment side as well as any of the economic spin-offs that are generated as a result of that service.

A few weeks back, I raised with the minister the statements that have been made by a senior official with Canadian Airlines International, where they said that the reservation system for Canadian Airlines in the city of Winnipeg does not have a future. That was information that was passed on to me by several employees of that company who were in attendance at that meeting and can attest to the statements that were made by that senior VP.

This causes me concern, because we stand to lose in the order—I believe it was—75 jobs that were on the line in this situation. These are obviously historically well-paying jobs. Also the other fact that Canadian Airlines, CAI, had been contemplating Winnipeg as a possible location for their weights and balance function, something which would bring jobs to the city of Winnipeg and to the province of Manitoba that may not be now under consideration, something that I think, while the minister's department may not be directly involved, maybe Industry, Trade and Tourism could be involved in some programs that are there.

It is also my understanding that the communications equipment that is involved in the reservation systems for CAI here may not be state of the art, and it may be an opportunity for MTS to become involved in this type of function to lend some support to upgrading of this particular equipment and technology.

Has the minister's department undertaken to have these discussions with CAI to see if there is a role that the government can play in the process of retaining these jobs here and possibly bringing other jobs to the province?

**Mr. Driedger:** Madam Chairperson, in terms of the reservation staff people that were working here, it is my understanding that from the time that the member raised it, there are no changes contemplated. However, I want to indicate that there is a possibility if our carriers line up with American carriers, there could be that danger. That is why I am flagging some of these things.

I want to indicate to the member, as well, that because we think our location is key, again, using this as a potential hub here for air freight, we are looking at expanded opportunities there together with I T and T to see whether we can enhance that kind of employment aspect of it because of our location. I think there is receptiveness, there is interest there and, hopefully, we will get some positive activity developing in that regard.

**Mr. Reid:** It is obvious these jobs are important to us, and I hope the minister will share with his colleagues in the other departments the concerns that we have about retaining these jobs here, because I think there is a role that we can play to encourage CAI to remain a part of the province of Manitoba and to retain these jobs.

There are other questions with regard to the airline jobs which I will raise in a moment, but I want to get back to the railway portion as well. There were some concerns about the producer cars, the short lines in the grain-dependent branch lines. Have any policy discussions been ongoing with the minister's department and the federal government to determine if there is going to be a consolidation of the producer car locations? That is the impression that we get now, because some of the producers are being rejected in their applications when they want to have producer cars spotted. Certain pieces of line are being abandoned.

Can the minister give any indication of what the status is on the branch line abandonment and any short-line opportunities that are being contemplated for the province of Manitoba?

**Mr. Driedger:** Madam Chairperson, let me first of all indicate that—and I think I have brought this forward in the House many times—the four western provinces have put forward a position regarding rail-line abandonment and how it should be addressed before any lines were abandoned. That position has not changed.

However, we anticipate that there is going to be ongoing activity in terms of rail-line abandonment by both lines, and we will continue to take and monitor that very carefully in terms of the impact that it has. As far as the short lines are concerned, Saskatchewan has had a few trial projects on short lines. We are in the process of developing legislation which is required so that we can accommodate any interest groups that would be

interested in getting involved in the short-line rail industry.

\* (1700)

At the same time, we want to make very sure that we are trying to get as much information as we can in terms of the short lines that have been experimentally operated in Saskatchewan to find out the details, so that we can give proper information to anybody who wants to get into it, so we do not sort of snow somebody into getting into something that might look appealing and, ultimately, financially would not work out well.

We are gathering that kind of information at the present time so that we can take and speak to people that have an interest in this regard with qualified information. We are developing the legislation right now. I would anticipate that we could probably have that legislation on the books for next year in order to allow the accommodation of the short line. Saskatchewan has already done that. We are monitoring it along those lines.

**Madam Chairperson:** Order, please. The hour being 5 p.m. and time for private members' hour, this committee will reconvene at 8 p.m. this evening. Committee rise.

Call in the Speaker.

## PRIVATE MEMBERS' BUSINESS

### IN SESSION

#### Committee Changes

**Mr. George Hickers (Point Douglas):** I move, seconded by the member for Selkirk (Mr. Dewar), that the composition of the Standing Committee on Privileges and Elections be amended as follows: Thompson (Mr. Ashton) for Wellington (Ms. Barrett) for Tuesday, June 16 at 10 a.m. [Agreed]

**Mr. Nell Gaudry (St. Boniface):** Committee change.

**Mr. Speaker:** Okay, you want to do a committee change first?

**Mr. Gaudry:** Yes.

**Mr. Speaker:** The honourable member for St. Boniface, with a committee change.

**Mr. Gaudry:** Mr. Speaker, I move, seconded by the member for Inkster (Mr. Lamoureux), that the composition of the Standing Committee on Privileges and Elections be amended as follows: St. James (Mr. Edwards) for Inkster. [Agreed]

**Mr. Speaker:** Now we will do the honourable member's resolution.

## PROPOSED RESOLUTIONS

### Res. 37—Distance Education

**Mr. Neil Gaudry (St. Boniface):** Mr. Speaker, I move, seconded by the member for Inkster (Mr. Lamoureux):

WHEREAS high quality education is crucial to a healthy economy; and

WHEREAS in the international economy, success is becoming increasingly dependent upon the skills of the work force and the ability to innovate; and

WHEREAS many Manitobans live in small communities far away from post-secondary education institutions or in communities too small to have the range of primary and secondary options that are available in larger centres; and

WHEREAS all Manitobans should have access to education services; and

WHEREAS the development of Manitoba's rural and northern economies is dependent upon an educated work force; and

WHEREAS individuals receiving education in their community are more likely to remain in those communities afterward, thereby making much needed and lasting contributions; and

WHEREAS distance education technology is becoming less expensive and more readily available; and

WHEREAS a concerted effort in distance education by the government could place Manitoba at the forefront of a new technology and service industry with global growth potential

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the government of Manitoba to consider increasing its efforts to establish and promote distance education programs and technologies in order to improve the education available to Manitoba citizens, upgrade the skills of the Manitoba work force and put Manitoba at the forefront of an emerging technological service industry.

#### Motion presented.

**Mr. Gaudry:** The world is changing rapidly, and the only way for Canada to remain prosperous is to have an educated work force. Dependence on natural

resources will not keep us at the forefront of the world economy. High quality education is crucial to a healthy economy, and the international economy is becoming increasingly dependent upon the skills of the work force and its ability to innovate. If Manitoba and Canada are to prosper, it must be on the basis of an educated and skilled work force.

Mr. Speaker, post-secondary education requires people to move from rural communities to Manitoba's larger urban centres. For people in the work force, this would require them to travel great distances or to uproot families and leave their communities. It limits the possibilities of upgrading one's training while remaining in the work force. As a result, many rural Manitobans are unable to access skills, upgrading training, and they are unable to keep up with the new demands of our labour market.

Distance education is a program where education is taken from the cities, moved to the rural communities, so that people can access education in their own communities. This enables them to remain in their communities, eliminating the aspect of leaving their community and their families and the social structure they utilize.

Mr. Speaker, this is important and good, because rural companies will have access to better trained employees and will not be forced to move to large centres to obtain a more skilled work force, thereby enabling jobs to remain in rural Manitoba. It is important for rural Manitoba to have access to this education, especially in days that rural areas are declining in population as people are moving to larger centres to obtain education.

Technology is increasingly expanding in the service of a video conferencing aspect, where teachers can be projected right into a rural classroom or community centre, making it available for our children in rural areas. Distance education can also improve elementary and secondary education. Often schools are too small to justify hiring teachers in specialized courses, or they cannot afford the courses that are given in rural areas.

Mr. Speaker, distance education technology can connect a number of communities and make such classes viable, thereby providing more options for rural Manitoba, in the larger centres of rural Manitoba like Brandon, Thompson, Flin Flon. All

those areas have access for our rural children for a better education.

In order for rural communities to prosper, there must be opportunities for residents to access services and training in their own communities. It is important that we as legislators make that accessible to these rural areas.

Mr. Speaker, I am sure members of this House know of people who have had to leave their communities for educational opportunities, and they can attest that, more often than not, these same people have not returned to their home communities. They would like to return to the communities, but because it is not accessible to them, they find work elsewhere at the same time. Distance education would decrease the chances of this happening too often, as it is happening in our days.

In conclusion, Mr. Speaker, I would like to emphasize that education and training is the future key to economic development of the community at the provincial, national and global levels. Maintaining a viable rural economy means that we must invest in the skills of the residents and our children in the rural areas. We must commit to that process now, and we should do it, as legislators in Manitoba.

Thank you very much.

\*(1710)

**Hon. Rosemary Vodrey (Minister of Education and Training):** I would like to take a little bit of time to speak about the issue of distance education and how meaningful that we on this side of the House recognize that it is to education in Manitoba.

I would like to start by discussing our recognition of the importance of a skilled work force, and that there is no doubt that the skilled work force of Manitoba will add to the economy of Manitoba, that when people are technically trained and when people have developed the skills that they feel are important, we receive a benefit economically. Individuals also maintain a benefit because they are able then to have that sense of fulfillment and that internal gratification that comes from education.

The skilled work force, Mr. Speaker, also is important because we are talking about a movement to a training culture and we are talking about a movement to lifelong learning. We now recognize that education does not just stop when people finish one level of school and that education

is not necessarily confined to just textbooks or exams or the classroom setting, but that education in Manitoba can be accessed and can become very meaningful through a number of different mediums and distance education is certainly one of them.

We also recognize in Manitoba that this is really a very wide and vast province and that we have students seeking education both on the K to 12 side and also on the post-secondary side in many parts of Manitoba. It is very important that students across Manitoba are able to access a quality education, and that they have access to the types of courses which are available to many urban students and also that they have access to the range of courses which I think are very, very important.

We have recognized on this side of the House that it is important for a student, wherever that person lives in Manitoba, to be able to continue a post-secondary education or, Mr. Speaker, in this time of a very high mobility, that a student may move to another part of this province and be able to pick up their educational process and feel that they have maintained a standard. I think it is very important when we have an opportunity to speak of students in rural Manitoba, because we do recognize that some of the rural schools do have a declining enrollment and with a declining enrollment there comes occasionally some difficulty to provide the adequate number of courses available for those young people.

In the time that I have been minister I have had the opportunity to meet with a number of rural school divisions who have explained why they believe that distance education is so important to their particular school and also to their community, and that it will allow students to remain within their community and to focus on their educational programs while being close to home. I think that we have recognized that that is an important aspect to family life as well.

When I spoke with representatives from northern divisions, they voiced a number of the same concerns for their students, that in some cases there is a declining enrollment and in other cases they wanted to focus on the issue of isolation, and that in some northern communities there is no access to other communities within a reasonably short period of time or reasonably short distance. The goal that was put forward by some of those communities was that their students, particularly their focus in school divisions, was on the K-12 side, that their students would have the opportunity to have the variety of

courses and the availability of courses, even though their geographical location may cause them to be more isolated.

In the northern part of Manitoba there was also a recognition that again families sometimes move, particularly where jobs are concerned. For instance, in mining communities people may move from one community to another. It is important that students feel that as they make that move, they are also able to receive a similar kind of course offering or numbers of courses available.

I certainly found that in the opportunities I had to meet with divisions, it was a very important experience to hear directly from them what distance education meant to their communities. I certainly have been interested, as I have learned more about distance education, both on the mechanical and the technical side, as well as the opportunities of distance education.

I am very pleased in my department that there has been a very close co-operation between our Distance Education and Technology Branch and our curriculum branch because we recognize that curriculums must be adapted to distance education and that there may be some necessity to work with those curriculums so that they are best transmitted through distance education. So I think that co-operation to provide the best possible source and type of distance education program is very important. Also, the distance education department is looking not just at a single, kind of passive transmission of a course, but we also have looked at some interactive courses as well where students may be very much involved, not just passively in receiving the information but interactively. I have learned in the time that I have been minister of the tremendous number of possibilities technologically in the use of distance education.

Manitoba, I am very pleased to say, in terms of its position in distance education, compares very favourably with other provinces across Canada. Alberta and Ontario are the only other provinces employing these technologies at the K to 12 level in any significant way. The provinces of Saskatchewan, British Columbia and some other provinces are only now beginning to apply these technologies to instruction at the K to 12 level.

On the post-secondary side, Manitoba also has now closed a gap which did exist within the mid-'80s with Alberta and British Columbia and Ontario, and

we are now very interested and have operational First Year Distance Education, and that does allow young people or adults—and I think it is very important for us to recognize that those people who are studying at the post-secondary level are not always necessarily sequential learners, but they may in fact be adults with other kinds of responsibilities and families within their own homes, and it is not always so easy for those people to leave their communities and come to a place like Winnipeg or Brandon to study for their post-secondary interests.

So the First Year Distance Education program has allowed those people to study within their communities and to remain with their families. Other benefits, of course, are that people then do remain within their communities and communities may have some influence over a course of study and interest that an individual may bring in terms of courses that they have chosen. In many cases, those individuals may then choose to remain within their home communities and that allows them and their families not to be dislocated, and it also gives the community the benefit of that particularly well-trained individual at the post-secondary level.

I found it interesting when I met with some of the rural and the northern communities that they also wanted to focus on this issue of continuing education and lifelong learning. There was a recognition, particularly in the rural parts of Manitoba where farming has, in some cases, been very difficult for some families, that where people had the opportunity and the time that they were able to take part in distance education and to continue to develop their skills so that, in some cases, another family member may be able to enter into another kind of work, if that is what the family member wished to do.

I think it is important to say that for the people that I have spoken to since I have been minister and the representation that we have had as government, that distance education can focus on benefits on the K to 12 side, particularly in allowing a volume of course content to be offered, and it also has been important on the post-secondary side to allow students at the post-secondary level to remain within their home communities. It has also been noted as a very valuable tool for continuing lifelong learning.

We have spoken many times in education about the fact that we are moving towards this lifelong



learning and training culture where people are not feeling obligated to complete an education sequentially, or if they wish to change a job that because they may be over 25 they cannot continue, because we know now that they certainly can.

I think, too, it is very important to note that the FYDE or First Year Distance Education program, which is on the post-secondary side, has been a three-year pilot project. It has met with a great deal of interest. That pilot project is coming into its evaluation year, and we will be looking at the success of that project and also how things might be done differently, if in fact that is the case. So we are looking very much forward to that particular evaluation.

\* (1720)

I also want to say that, because there has been a recognition, a very strong recognition by this government and by the Department of Education of the value of distance education, I have set up within the department a task force on distance education. This task force has, I believe, many benefits because, first of all, it is a representative task force. It has not only members of the Department of Education, but it also has other membership—I reference specifically Manitoba Association of School Trustees also sits on that task force—so that the issues and the problem solving relating to distance education can be done at a wider level. That task force has been very active. It is in fact broken into subcommittees as well, because there is the technological and there is the financial and a number of issues, curriculum issues, to be explored.

I do look forward to an interim report from that task force in June, and I look forward to a full report by that task force at some point in the fall.

So, Mr. Speaker, I think it would be very important again to underline our expression of interest and importance in distance education; however, I feel that we can perhaps more accurately reflect those particular interests and goals by offering an amendment to the resolution of the honourable member for St. Boniface (Mr. Gaudry). I would like to take a moment to offer this amendment now.

I move, seconded by the honourable member for St. Vital (Mrs. Render), that the resolution be amended by deleting all words following "THEREFORE BE IT RESOLVED" and substituting the following:

That the Legislative Assembly of Manitoba support the efforts and encourage participation of those who enroll in a program that enables northern and rural residents to participate and receive the benefits of education through this government's distance education initiatives.

**Motion presented.**

**Mr. Speaker:** The honourable minister's amendment is in order.

**Mr. Steve Ashton (Thompson):** The amendment may be in order, but I think the degree with which this government, once again, seems to want to go to prevent any open discussion by the way of resolutions that might be passed in this private members' hour just amazes me. What was the difficulty with the original resolution by the member for St. Boniface (Mr. Gaudry)? It said, Mr. Speaker, take the base that is there and build on it.

What did the government do? It said, take the base that is there and congratulate themselves. I mean, that is what they do on every single resolution that is brought before the Legislature. I must say that I can understand their need to do that, because as we see this government go on and on in terms of its term, we see increasingly that it is not getting much in the way of congratulations on anything. So I think what we are seeing here is a deliberate attempt to raise the sagging morale of the Conservative Party by at least having them, each other, congratulate themselves—the mutual admiration society here, the Conservative caucus of Manitoba.

I do not know, Mr. Speaker, what they are going to do next, because I have seen private members' hour sink to probably its lowest level in the 10 years I have been here. I have never seen so many self-congratulatory resolutions and amendments other than brought in by this government. Maybe there is a distinct relationship here, that the lower one gets in popularity with this government, the more congratulatory resolutions have to be brought in. I think there is a direct connection. In fact, if we see this continue, as I am sure we will, in upcoming sessions I think it says a lot, the fact that this government has to get somebody to congratulate it, so it gets itself to congratulate it.

It really is a waste of time of this Legislature. Let us talk about distance education; let us talk about the kind of amendments that could perhaps have been made, although I think the resolution was quite

acceptable in the form it was in, because it attempted, I think—and I will say the intent of the member for St. Boniface (Mr. Gaudry) was clear, was to go beyond merely addressing an issue in a general sense, but he said there is a base, and let us build on it.

There is a base that is there in terms of distance education that has been put in place the last number of years; let us build on it. It is not a new concept. It has been used by other jurisdictions in terms of Athabasca in particular. It is not a substitute for other types of delivery of educational services. I look at, for example, the new university of northern British Columbia which is a major initiative in that province, something that we have been urging this government to look at for this province.

So it is not complete in that sense. It does not deal with some of the other concerns that could be expressed about other forms of ACCESS education, and surely—and I am surprised—following the announcement last Friday in the House about concerns about the future of the ACCESS programs, concerns that I expressed in this House during Education Estimates, that I know a number of our caucus members have raised both during Education Estimates and in Question Period. That is not included in terms of this, because these are all part of an effort to get education out into the communities, get education beyond Brandon and beyond the city of Winnipeg and get it available in different communities. That surely would have been more appropriate in terms of an amendment. That is a new development. That development came about after the member for St. Boniface introduced this on the Order Paper several months ago.

The bottom line is there is a real crisis in terms of ACCESS education in this province that is going to lead, if we are not careful, to a situation where we are going to see the elimination of the ACCESS programs, because what is happening is the federal government is not living up to its responsibility to fund treaty students. We are seeing already that is impacting in delivery of programs. In the case of BUNTEP, a number of the locations—I know in the case of Thompson, that has been indicated by the BUNTEP directors as one of the reasons there will no longer be BUNTEP available in Thompson as has been the case in previous years.

One of the factors was in terms of student funding, but we are seeing again that the federal

government, if it is going to continue student funding, is only going to do it in terms of existing students. We are going to see the system strangulated. It may continue for a number of years, but it will not continue in its fullest form unless there is a commitment to long-term funding for ACCESS programs.

I have no hesitation on the record, Mr. Speaker, saying we need that commitment. We cannot simply take one particular aspect of education that deals with the needs beyond the city of Winnipeg such as distance education and deal with that as only one component separate from the others. It is all interrelated. The delivery of programs for the ACCESS programs is in conjunction with Inter-Universities North. I have had the opportunity to lecture for Inter-Universities North in Thompson and had ACCESS students. It is very much interrelated.

\* (1730)

We need a new model, I would suggest, Mr. Speaker, that goes beyond simply the current umbrella that is in place in terms of distance education. We should have a northern and rural university, polytechnic, whatever term you want, which can combine the delivery of all the various programs. That, I think, is one of the key aspects.

I want to stress in terms of distance education that the use of new technology is fine, but it has been the experience of many who have lectured, who have delivered programs, that you need a component of direct lecturing, direct hands-on student assistance in terms of instructors. You cannot just rely on technology that is still far from fully developed which does not allow the same kind of interaction as a normal classroom does.

That is one of the things that I would have thought the government might have wanted to address in terms of distance education, Mr. Speaker, is the fact that this government could be looking at that, should be looking at that, having a blend of that and making sure that distance education does have a component of the kind of resources that have been available through IUN traditionally in terms of local communities and bringing instructors up from the main university campuses. Students need the full access to that kind of education.

I want to say, Mr. Speaker, and I have said this for many years in this House, that there has been a great deal of experience with Inter-Universities

North which recently celebrated its twentieth year. I had the opportunity to attend the banquet of Inter-Universities North commemorating the twentieth year of the various educational access that it creates.

I at the time said that—it really is interesting. I graduated from high school the same year the IUN was founded. In those days it was virtually impossible to be able to attain an education outside of the main campuses at Winnipeg or Brandon. Indeed, that is where I went, Mr. Speaker, down to Winnipeg, and I can say it was quite an adjustment, to say the least. I was fortunate enough to survive the adjustment, let us put it that way, to student life here in Winnipeg. I still remember when I was in high school in Thompson, I could barely wait to get down to Winnipeg, the big city, and I think it took me about two or three months before I was on the Grey Goose bus back to Thompson at Thanksgiving—well, not even two months—out of homesickness, missing my home community, my friends, my family. Mr. Speaker, many people took that bus back that same Thanksgiving and did not go back to studies. That was one of the major adjustments that took place.

I have seen over the years the problems in terms of the North in particular, and it applies to rural communities as well. If you live in the city, it is expensive enough to continue your education, but if you add to that transportation costs of room and board, of going to a major campus, it is a significant burden, both on the students and on their parents. So it is very difficult, and that is why I am very pleased to see over the years that major initiatives have been taken to get education outside of the Perimeter Highway and get it into rural and northern communities.

In the North, in a way, because we had the least access to a certain degree because of IUN, we have actually gone the opposite direction in terms of rural areas. I would say many rural communities actually have less access than many northern communities, because they do not have the same kind of IUN availabilities. The bottom line is, I think, that is a healthy process.

It has not always been easy and there have been challenges. I remember in 1977 when the then-Conservative government cut Inter-Universities North in its entirety, and there was an uproar. At the universities there was an uproar in terms of northern communities, and it was reinstated

in a reduced form, but the bottom line was the support was there. I am predicting that if the government tries to trade off different programs in the future, they will face the same sort of problem.

We need distance education. We need the direct educational component of Inter-Universities North. We need also the ACCESS programs, and we will never accept this government, for whatever reason and for whatever faults that may lie with the federal government, cutting the ACCESS programs. The bottom line is, we will fight the same way that people fought in 1977 against the cuts that were then introduced in terms of IUN. We will be fighting for the provincial government to live up to its responsibility to all Manitobans, including through the ACCESS programs which have pioneered, which have really pioneered, in the same sort of spirit that the member for St. Boniface (Mr. Gaudry) references. I would say that is the area we are most outstanding for, is the ACCESS programs we have pioneered in this country.

So, Mr. Speaker, we cannot say we will have the one, the distance education, and that will somehow suffice to make the contribution of the provincial government felt in terms of education, because it is an integral part. We need all the parts of what we are dealing with here. We need the kinds of facilities that IUN has in terms of direct lecturing, et cetera. We need the first-year and second-year distance education using a combination of direct lecturing and also teleconferencing and other mechanisms, but we also most definitely need the ACCESS programs, the BUNTEP programs in the various communities in the North. We need the social work program. We need the northern nursing program.

The bottom line is all of those components go into giving full access.

**Hon. James Downey (Minister of Northern Affairs):** . . . it was us who gave them the northern nursing program.

**Mr. Ashton:** Well, Mr. Speaker, the Minister of Native Affairs says it was them that gave the northern nursing program. He obviously does not know what he is talking about. The northern nursing program has been in place since the mid-1980s—[interjection]

Well, coming from the minister who has seen the Northern Development Agreement expire, with no federal-provincial funding for the Northern

Development Agreement, the main reason why the ACCESS programs is in jeopardy today is because of the incompetence of that minister. Mr. Speaker, I find it very difficult to sit here and listen to him from his seat talking about something he does not know about.

The northern nursing program was established in the 1980s in Thompson by the then NDP government, which established the social work program in Thompson and also established here in the core area.

The Minister of Northern and Native Affairs should know that, and if he spent more time listening and less time talking from his seat, he might learn that, because those programs are in jeopardy.

In conclusion, this kind of amendment, Mr. Speaker, is completely useless, is completely pointless. It serves no purpose whatsoever, and I would suggest if the Conservatives want to congratulate themselves they do so behind the closed doors of their caucus room, in the confines of their caucus room, and not waste the time of the Legislature with yet another amendment, with yet another resolution that has essentially been watered down to the point of saying nothing other than the fact that this government needs to congratulate itself.

Let them congratulate themselves on their record on education. We will not. The people of Manitoba will not either, and let us get back to some serious debate in this House in private members' hour about the real issues, not this kind of nonsensical amendment that we will be opposing.

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, I rise on this amendment. The original purpose of what I was going to say today was that I thought that the member the député de St. Boniface had introduced a resolution which did not chastise the government in any way, did not say anything except that he wanted to urge the government of the province of Manitoba to consider increasing its efforts.

The minister in her own Education Estimates admitted that they were not going far enough, that there was much more ground that needed to be covered, so why would she decide that she had to introduce this kind of an amendment to this resolution, which clearly indicates that they are not willing to go further in the whole field of distance education? They are asking us to support the effort

which, by her own admission in Estimates, is not going as far as she would like it to go and that there is much more work that needs to be done.

I think that it is incumbent upon all of us in this Chamber to understand the value of distance education as a new technology. It is not a panacea. It is not under any circumstances going to solve all of the problems of education in rural or northern Manitoba. I was in the education field for far too long and saw many innovative changes in education, all of which were to be the golden answer to education, to accept any one technology as being the be-all and end-all to education. It never will be. Nothing will replace in my mind the classroom teacher, whether at the K to 12 level or the post-secondary level, but there are new techniques that can be employed and can be employed effectively to enhance the quality of educational programming at all levels.

We tend to think of distance education as a technology which is only a post-secondary educational model, but it is not. It can be used as early as Kindergarten. It can be used to provide, within a classroom milieu where there are great divergencies in the potential of individual students, an opportunity for a gifted child, for example, to get hooked up with the technology in another community that will give that child one-on-one teaching through the use of technology, through the use of a computer, through use of a modem, to the use of a television screen, allow that child access into another classroom someplace else in the province of Manitoba where gifted educational programming may be conducted.

It also gives the same opportunity for a child who needs resource work to be hooked up to the same kind of technology, where that program could not be given in a rural centre. Because of this new technology, that child can have access. That classroom teacher can have skills at his or her fingertips that normally would not be available, for which they were not trained, for which they specifically did not have the skills, but distance education can beam in those new skills to the teacher and the student in that room.

\* (1740)

As you move through the educational stream, some very wonderful things can happen. In my dialogue with many teachers throughout the province of Manitoba you will find in the small high schools many curriculum opportunities cannot be

made available. They will, for example, frequently teach physics and chemistry, but they will not teach biology. They will not teach biology because biology is not a requirement for entering Science at the universities. It can be used as one of the sciences, but it is not a compulsory science. Physics and chemistry are, by different faculties, compulsory subjects, particularly for pre-Med programs, particularly for Engineering programs. Biology is one of those that can be an option.

So when the small high school looks at what it must offer, it says I must offer physics, I must offer chemistry, but I need not offer biology. But, the young student who is very interested in biology need not be denied that opportunity, if distance education can literally hook that youngster up through a distance education program with a program perhaps being offered in a northern high school, in another rural high school, or indeed in an urban high school.

There are some interesting programs in terms of piloting going on at the present time. One specifically has to do with the math program. Unfortunately, to my dismay, I learned that the piloting of this program was going on in Winnipeg, and I asked that question in Estimates, and I must admit I did not exactly get a satisfactory answer, but the reality is that I wonder why you would try to pilot a distance ed program in the city of Winnipeg when the youngsters that you are most desirous of serving are those who do not live in the city of Winnipeg and who live in rural Manitoba or northern Manitoba.

One would think that the kinks of a program, which is the purpose of piloting, would be better worked out if the piloting was taking place in the milieu where ultimately that program would be used to the greatest extent. That, unfortunately, is not where the piloting is taking place, and hopefully in the future we will look to piloting the programs in the specific cases where students will have to access them.

We move into the post-secondary level and some very interesting programs through distance technology are taking place right now. We know that residents of northern Manitoba, if they had their ideal scenario, would love to have a university in the North. Well, Mr. Speaker, that is probably not practical in terms of the long-term economics of the costs of running an institution that requires physical plant, but there is no reason why you cannot run in northern Manitoba a distance educational university

and we are already doing that, again, at a piloting level, in post-secondary educational experience for first-year university students.

Now we have all heard, I think to some degree, the horror stories of the biology class at the University of Manitoba in which the biology professor comes on screen to teach the program. Unfortunately, this individual has not been alive for several years, so it is very difficult for the students to make contact with that particular professor offering this particular course because to find him might be somewhat complex. But that is what is going on.

Obviously, if you can teach biology classes at the University of Manitoba by video tape and video screen, you certainly can do that in remote communities, hopefully with live instructors that can be hooked up by modems so that there can in fact be at the end of that lecture an exchange of information in a question and answer situation so that, if students have questions about the lecture, if they have questions about the experiment that was conducted in the lab, if they have questions about the problem solving, for example, in a math course, then they will be able to connect with a professor, with a teaching assistant through the use of modems, through the use of computer technology and distance ed technology available.

It is a very, very exciting new form of education available, but I caution everybody in the Chamber that it is not a panacea. Mr. Speaker, I have to tell you that I was teaching in the days of experiments with calculators. They were all of a sudden going to solve all of the problems for math instruction. They did not. I also was a teacher early in the days of team teaching and, somehow or other, team teaching—if you could take two teachers and they could each teach their specialty area and they could merge the classes together, this would be an exciting innovation and this would solve all of your problems in education. No, it did not solve all the problems of education, but it is a good technology and some teachers still take advantage of it. I remember when television sets, all of a sudden with video tapes—they were going to solve all of the problems of education. They did not solve all of the problems in education. And distance ed technology is not going to solve all the problems in education either.

In education, if we have suffered from one failing, it is what I call the pendulum disease. It is a disease

in which you say this particular form of educational experience is not working so we must try another. Well, we take the entire pendulum over to the other end of the program and then we discover several years later that that is not working either. Perhaps there was a balance somewhere in the middle, but we never tried the balance. We always went from one extreme to the other extreme of the educational pendulum.

New math—some of the children of the members of this House experienced the so-called new math. I could never understand why everybody found it so complex, because it still was adding, subtracting, multiplying, dividing, and still dealt with the 10 numbers, but it became new math. Well, lo and behold, I read a study two years ago by the man who developed new math, who said, gee, after evaluation it did not do any of the things he thought it was going to do.

Now we find a teaching concept in language arts called whole language. Whole language is supposed to teach reading in new and innovative ways. There is not to be spelling; there is not to be phonics. There is to be sight-reading; they are supposed to read for understanding. Well, the United States Congress became so concerned about whole language that they undertook a test of whole language and, guess what? The person who evaluated whole language said it works very well for bright kids because, believe it or not, bright kids have always done that. They have always learned to read by sight; they have always learned to read for understanding; but it is not doing much good for average kids, and it is not doing much good for slow learners. So, once more, we have got whole language in all our schools, and there are people out there saying the pendulum has swung too far yet once again.

So I want to warn people that distance education is a wonderful concept. It can allow us to develop programs in new and innovative ways, but it will not be a panacea. It will not solve all the problems for every child within the educational system.

There is a real need in the province of Manitoba to push further, to put into place more efforts. That is really all the minister or the député de St. Boniface asked for today. He asked for more efforts so that we can lead the nation, if you will, in the development of distance ed technology. We have already made an initial good start. It started under the NDP; it has continued under this government.

Why would we want to stop at this juncture when we have the opportunity to move much more forward?

So I hoped that this was a resolution that we could all support, but now, of course, that the minister has introduced her amendment, it is no longer a resolution that we can support, because it is not enough to maintain the status quo. We must move on, we must move forward, and that is all the député de St. Boniface asked for us to do, that we would move forward with no criticism of the government. I think it is most sad that the Minister of Education (Mrs. Vodrey), who recognized herself that we must move forward on this has chosen to play petty politics with this thing, to introduce an amendment which need not be introduced. There was no deep criticism of the government in the député de St. Boniface's original resolution. Now, instead of having unanimous resolution that would encourage all governments of whatever political stripe to move forward on this, we have tragically taken a step backward.

\* (1750)

**Mrs. Shirley Rønder (St. Vital):** Mr. Speaker, I think my ears heard correctly when the member for Thompson said that he was a little upset that the honourable minister had moved an amendment that simply congratulated the government. I do not think the honourable minister did that at all. My ears heard words such as: that it be resolved that the Legislative Assembly of Manitoba support the efforts and encourage participation of those who enroll in a distance education program. To me, that is not congratulating the government at all. The minister talked about, as I say, encouraging the participation of those who enroll in a program that enables northern and rural residents to participate and receive the benefits of education through this government's distance education initiatives.

I think everyone here in this House should support all initiatives whether it is begun by this particular government or whether it is an initiative that was begun by the previous government and simply carried on by this government. I think all of us recognize that as the years go by there are advances in the technological aspects of how we communicate with people, and I think this is something that all of us here in this province can be very proud of, that this province, this province called Manitoba is a leader in using telecommunications-based technology such as satellite technology, audio teleconferencing and computer

communications technology to instruct students at all levels between Kindergarten and Grade 12.

I think all of us here in this province should be very proud of the fact that with the exception of, I think it is Alberta and Ontario, we are the only province to be using these very advanced systems. Most of the provinces in the past, and I think just up to fairly recent times, have been using sort of a one-way method of communicating with their students. They have done, I guess you could call it a broadcast-only mode for instructional purposes. This means that the teacher talks. It is a one-way piece of communication, and I think all of us here in this Chamber realize, whatever kind of committee we happen to be on, that it is absolutely vital that we have two-way communication. With the advances in technology, this is what we have been doing and we are doing. As I say, I think all of us in this Chamber should feel very proud that Manitoba is at the forefront in the kinds of devices it uses to promote distance education initiatives.

I think something that should also be pointed out is that this past year, the satellite network will be increasing the programming from 350 hours to 475 hours, and that is quite a jump in the programming. This is going to be done at absolutely no increase in cost to the users of the program.

Just one other thing that I would like to touch upon is the first-year distance education program for post-secondary students. This program, as many of you know, was started in September of 1990 and it was introduced at five sites in remote areas of Manitoba, and those sites, of course, all of us are very familiar with: Dauphin, Russell, Flin Flon, The Pas and Thompson. To my knowledge, this is the first time that a complete first-year university course is now available with this kind of a mode of instruction. There are courses that are offered that range from philosophy to computer sciences, from psychology to sociology, history, biology, vector geometry, linear algebra, calculus, you name it. The students are able to choose from both the arts and the science fields.

This program is in its second year, as both the minister and the member of the second opposition mentioned. It is a pilot program, but I think already we recognize that it has been very successful and, in fact, the enrollment for the most part has increased in each of the two years.

I think something that is also very interesting to note that in some of the courses, and I understand in calculus, the students actually gain a higher mark in the calculus courses on an average than those who take calculus by the regular means, so I am sure there will be a little research into why that happens.

Mr. Speaker, I think this is about all I want to say, just to simply conclude with the statement that on this side of the House, and indeed I would hope that I speak for all members in this House, that I think we want to continue to support what is in place and in time, of course, we would hope that we can expand as the needs arise, but of course at all times we do have to keep in account a balance of exactly where monies go in the educational programs. We have to make sure that we maintain the balance between the urban and the rural needs, and I think this government has done well so far considering that we are in a recession and considering that when we look across all of this country, we see what is happening with some of the other provinces. This government has increased funding to education, and I guess maybe I will end on a congratulatory note that we have done very well indeed.

Thank you, Mr. Speaker.

**Mrs. Vodrey:** Mr. Speaker, I am happy to speak again on the amendment that was brought forward a little earlier this afternoon—

**Mr. Speaker:** The honourable minister will be closing debate on the amendment. Is there anybody else wishing to speak on this?

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I would like to add a few remarks to this particular resolution, because, after all, the member for St. Boniface (Mr. Gaudry) put in a lot of effort to bring forward a resolution which, as the Leader of the Liberal Party (Mrs. Carstairs) pointed out, should have been supported from all parties in this Chamber. I know when the member for Thompson (Mr. Ashton) stood up, in fact he gave his indication that the New Democratic Party supports the resolution. In part, in the debate that he put on the record, he talked about the amendment and the reason why the amendment was brought forward.

I concur with a lot of the remarks the member for Thompson put on the record, that there seems to be a need from this government to stand up and amend whatever resolution comes before this Chamber. Every amendment that comes forward is one to pat

themselves on the back. Once again we see this particular amendment acknowledging that the government itself is doing all sorts of wonderful things, and that there is absolutely no reason to change what is happening.

Well, we disagree with the minister. When the minister was in the Estimates, as the Leader of the Liberal Party pointed out, she too disagreed with the amendment she had brought forward, because even then she acknowledged that there was in fact a need to increase—more effort, more potential resources, to ensuring that this program will address more of the needs of the province.

This is what the member for St. Boniface (Mr. Gaudry), in bringing forward the resolution, was wanting to see. It was, I believe, a resolution that the government could have allowed to come to a vote, could have allowed individuals in many cases, on this particular resolution, but many other resolutions to be voted upon. But, as the member

for Thompson (Mr. Ashton) has pointed out quite correctly, that far too often we now see private members' hour when it comes to debate on resolutions, one in which the government brings forward an amendment to congratulate themselves, when it comes to private member's bills, they choose not to speak on them. What the government is doing, as the Minister of Natural Resources (Mr. Enns) points out, is a shame. It really and truly is a shame. That in fact we should be dealing with the bills and resolutions, such as the resolutions—

**Mr. Speaker:** Order, please. When this matter is again before the House, the honourable member for Inkster (Mr. Lamoureux) will have 12 minutes remaining.

The hour being 6 p.m., I am leaving the chair with the understanding that the House will reconvene at 8 p.m. in Committee of Supply.



# Legislative Assembly of Manitoba

Monday, June 15, 1992

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