

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, December 5, 1989.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

MINISTERIAL STATEMENTS

Hon. Donald Orchard (Minister of Health): Mr. Speaker, in making this statement to the House I want to acknowledge and thank the co-operation of my two critics, the MLA for Kildonan, the Liberal Health Critic (Mr. Cheema), and the MLA for Thompson, the New Democratic Party Health Critic (Mr. Ashton), in not questioning the line of Estimates wherein this proposal was contained so that St. Boniface could have their announcement in a very formal and very beneficial fashion.

Mr. Speaker, today is an occasion of real pride for me. I am proud as a Manitoban as well as the Minister of Health to be able to announce in the House today the designation of the oncology unit at the St. Boniface General Hospital as a World Health Organization collaborating centre for quality of life in cancer care.

Some Honourable Members: Hear, hear!

Mr. Orchard: Mr. Speaker, this is the first time the World Health Organization has designated a collaborating centre in Canada for cancer research.

I think it is important to recognize the significance of this announcement as it pertains to health care delivery, not merely based on the technological capability of treatment but rather on how the patient is benefited in terms of his or her quality of life during that treatment regime for cancer.

We are not here today as a result of pure chance or circumstance. This is an outcome of dedicated research efforts by Dr. Schipper and his colleagues at St. Boniface, who have been recognized internationally as contributing to the health, comfort and dignity of people undergoing treatment for cancer all over the world.

Research in Manitoba is very much a partnership in health involving support funding from the provincial Government. For this project our Government has committed to provide \$290,000 per year for the next four years to assist this ongoing research project.

Funding which can attract world class researchers to Manitoba often provides improved clinical services to patients, since these professionals are often both researchers as well as practising physicians. This greatly enhances the opportunities for Manitobans to access quality health care.

* (1335)

The intense biological approach to the treatment of cancer in its many forms has yielded some impressive

results in terms of increasing the life expectancy of many sufferers from this dreaded disease. That work must continue, Mr. Speaker.

What impresses me about the work that is being recognized here today is that it focuses on the human aspect of treatment, addressing the question on what this treatment will do to the whole life of this patient, as well as to the affected organs and cells of his or her body. The work of this collaborative centre will develop ways of addressing that question that can be shared worldwide through links with the World Health Organization and the other Quality of Life Centre in Amsterdam.

I am especially pleased to note the emphasis the designation of this centre places on links with the Third World, so that cancer treatment in developing countries can have the benefit not only of biological advances but to more effective and humane use of health care resources.

This project in its research efforts demonstrates the excellence of medical research in Manitoba, an excellence we do not often recognize adequately, but here today this excellence of research in Manitoba is being recognized by the World Health Organization in designating the collaborative centre at St. Boniface. This is a partnership of research applied to quality of patient care. This is a recognition of excellence in Manitoba and that we truly have a world-class centre of excellence for cancer research in this province. This is indeed a partnership, not only for Manitobans, but for the people around the world who suffer from cancer.

Mr. Speaker, this is a proud day for Manitobans and those involved in this research project at St. Boniface. Thank you very much.

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, we on this side of the House are extremely pleased with this announcement and the Minister has already indicated that we gave him leave that we will not be raising that issue in Estimates. That was one of the priorities and we did it.

Also, we thank the Minister of Health (Mr. Orchard) for inviting me, but unfortunately, because of the crisis at Seven Oaks Hospital I was not able to attend that function.

Mr. Speaker, this is a major step for cancer treatment in Manitoba and certainly with the recognition by the World Health Organization it will help not only patients in Manitoba, but all over the world. Definitely the Minister is moving in the right direction. We will ask him, rather request him, not to develop a confrontational attitude with the professional caregivers who are a very important aspect of this particular centre.

We will continue to encourage the Minister to devote more time to have a non-confrontational attitude so that programs like this can be valuable in the long run. Thank you, Mr. Speaker.

Mr. Gary Doer (Leader of the Second Opposition): I would like to stand and congratulate the Minister of Health.

Indeed it is a proud day for Manitobans and the announcement on cancer treatment for Manitobans and the recognition of the World Health Organization is an excellent recognition of the staff and the professionals at the St. Boniface Hospital.

I have very direct knowledge of the St. Boniface Hospital. My mother had cancer and was at that hospital, and the professionalism and the care and dignity are worthy of note here in the statement.

I would like to congratulate the Minister of Health (Mr. Orchard), because the doctors and staff there should be recognized worldwide for the research and humane and dignified treatment of all patients. Thank you.

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to Oral Questions, may I direct the attention of Honourable Members to the Speaker's gallery where we have with us this afternoon the Consul General of Belgium, Mr. Robert Devries, and also the Honourary Consul General, Dr. Paul Deprez.

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

Also with us this afternoon seated in the public gallery, we have from the General Wolfe School twenty-five Grade 9 students. They are under the direction of Mr. Lomas. This school is located in the constituency of the Honourable Member for Ellice (Ms. Gray).

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

ORAL QUESTION PERIOD

Manitoba Medical Association Collective Agreement Negotiations

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, yesterday the Minister of Health (Mr. Orchard) said in this House that he did not believe in a confrontational style. It got quite a laugh in this particular audience, because we know that indeed he does believe in confrontational style. He walked out of this House to further continue that type of style, when in reference to the doctors he uses words like lying.

* (1340)

Mr. Speaker, the concerns raised by the medical profession have been raised by the president of the Manitoba medical profession, someone who knows more about that profession than does the Minister.

The Minister's behaviour clearly indicates that, contrary to what he says in this House, he is trying to get his own way by discrediting the entire medical profession. How can this Minister tell us that he is working in a co-operative fashion with the Manitoba Medical Association when his attitude and his vocabulary is nothing other than confrontational?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, my honourable friend, the Leader of the Liberal Party (Mrs. Carstairs), must understand that the president of the MMA communicated to all of the membership last week that Government's offer involved quotas set on individual doctors and the prospect of turning patients away because of Government's proposal to the MMA.

That was an absolutely false statement for the professional, Dr. Bartlett, to make to the membership. That is not a correct assessment, has not been and never was. Dr. Bartlett should not have made that communication incorrectly to the membership.

I stand by the quotations in the Winnipeg Free Press that accurately portray my dismay at that complete misinterpretation of Government's offer to the MMA.

Manitoba Medical Association Collective Agreement Negotiations

Mrs. Sharon Carstairs (Leader of the Opposition): The Manitoba Medical Association believes that capping will have the direct result of cutting services to patients.

An Honourable Member: There is no capping.

Mrs. Carstairs: Mr. Speaker, can the Premier (Mr. Filmon), in light of the statement that he just made in the House, tell the House if he is now prepared to take the position that they placed before the Manitoba Medical Association with a take-it-or-leave-it style and say there will not be any 2 percent capping on fees in the Province of Manitoba, and that there will be no cutbacks to doctors, and that their 3 percent income will take place regardless of the fee increases?

Hon. Gary Filmon (Premier): It is really interesting to see the Leader of the Liberal Party doing as she always does, and that is to negotiate in this House on behalf of special interest groups throughout the province.

Everytime anybody is interested in getting more money from the Government of Manitoba she is on their side, she has already signed the cheque, she just invites them to fill in the numbers. That is the whole process she has of accountability and responsibility to the taxpayer. Nobody in her Party speaks for the taxpayer of this province, sheer irresponsibility. That is all we are doing, coming to this House day after day after day negotiating on behalf of people whose incomes are the highest of any group in society. That is exactly her position.

Mr. Speaker, the offer that was made to them was, first, an increase in the fee schedule to every single doctor in this province, and second, an increase in the fund that is going to improve the fees individual doctors get, in most of the disciplines I might say. Probably two-thirds of the disciplines will access that fund which has been increased by 450 percent over what it was in the previous three years. All doctors will be getting an increase benefit.

In return for that, we are asking doctors to take a responsibility above 2 percent growth in the usage of

the system. Remember that we do not have a great increase in population in this province. That increase in usage -(interjection)- Well, Mr. Speaker, it is no different than it was under the New Democrats. Under those circumstances we are asking them to take some responsibility with us in ensuring that the growth in the system is reasonable and that they have some responsibility to control that growth.

Under all those circumstances we are dealing fairly, honestly, and above board with them, and it is only the Leader of the Liberal Party—

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

Medical Profession Binding Arbitration

Mrs. Sharon Carstairs (Leader of the Opposition): It is no wonder it is a confrontational style. They do not know what binding arbitration means in this Government. Binding arbitration is not writing cheques, binding arbitration is allowing an arbitrator to decide.

* (1345)

Mr. Speaker, can the Minister of Education (Mr. Derkach) tell this House today if he supports binding arbitration for the teachers of this province who in 1987 cost the taxpayers some \$475 million? Why has he been unable to convince his colleagues that binding arbitration might work for physicians when that figure is considerably less?

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order please. The Honourable Minister of Health.

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I realize my honourable friend the Liberal Leader may not always have full facts and information before her when she poses questions. That is a difficulty that only as Leader in her caucus can come to grips with.

Mr. Speaker, what we have offered to the MMA is a reasonable offer in terms of compensation to individual physicians. It is a reasonable proposal in terms of coming to grips with underpaid physician groups for which from time to time my honourable friends opposite say, why can we not recruit and retain given specialists to Manitoba? There is a significant fund to answer to that, and we have provided for a, fully paid by the taxpayers, reasonable increase in the amount of billings by physicians. The offer is reasonable to the physicians, responsible to the taxpayers, and guarantees patient care.

Teaching Profession Binding Arbitration

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, but I have a question to the Minister of Education (Mr. Derkach). Is the Minister of Education now prepared to abandon binding arbitration for the

teaching profession, and is he now prepared to put a 2 percent cap on the education of our children as well?

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, that is a silly question.

Some Honourable Members: Oh, oh!

Mr. Derkach: As you see, the Members of the Liberal Party have just acknowledged that the Leader of the Opposition (Mrs. Carstairs) has asked a silly question.

There is no way that I am in a position to abandon binding arbitration at the level of negotiations with schools and teachers' associations because that kind of negotiation goes on between teachers' associations and local school boards. Salaries are the responsibility of local school boards and I do not intend to interfere at this point in time.

Minister of Health Binding Arbitration Position

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, the teachers of this province in 1987 received salaries of \$475 million. Payments to doctors were \$222 million last year. The actual money they received in salaries was far less than this. Can the Minister of Health tell us why he is a Member—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order. The Honourable Leader of the official Opposition.

Mrs. Carstairs: Can the Minister of Health (Mr. Orchard) tell this House why he is a Member of a caucus and a Government that supports binding arbitration to one sector dealing with an essential service but will not support binding arbitration for another sector dealing with an essential service?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, again my honourable friend the Liberal Leader is very confused in understanding the issue. The increase in billings by physicians has absolutely no correlation to the teaching profession. She totally does not understand the nature of the offer that Government has made to the MMA, involving a basic increase, which we believe is reasonable at 3 percent per year, and second, a guaranteed services fund of \$24 million to enable Government to participate in recruitment and retention of needed specialists and of general practitioners to Manitoba and a provision for an increased amount of billing by physicians of 2 percent regardless of what happens to the population growth in Manitoba.

* (1350)

Mr. Speaker, we believe that is a reasoned proposal to the physicians of this province that if properly communicated by the present would be accepted by those physicians—

Mr. Speaker: Order, please. The Honourable Leader of the official Opposition.

Mrs. Carstairs: Mr. Speaker, this confrontational style of this Minister has resulted in a major deadlock between the Department of Health and the Manitoba Medical Association. We have to get back to some reasoned form of bargaining and negotiation. In Opposition this same Minister was very critical of the Government when they backed out of binding arbitration. When he was critical of them for backing out of it, why is he unwilling to accept it?

Mr. Orchard: Mr. Speaker, my honourable friend fails to recognize that it is four months before the end of the current contract and we are negotiating in good faith with the MMA, as I committed to do some eight months ago.

Mr. Speaker, the previous Government did have a binding arbitration agreement. They broke it. I was critical of breaking a deal with the MMA regarding binding arbitration. We have no such agreement with the MMA and we have indicated clearly since the 1988 election that we believe this Government will approach negotiations with the MMA and its member physicians in a reasonable fashion providing an adequate increase in compensation and an assurance of health care to Manitobans.

Conawapa Project Ontario Hydro Sale

Mr. Jerry Storie (Flin Flon): Mr. Speaker, I think many Manitobans and perhaps many people in this Chamber will be somewhat surprised that the First Minister (Mr. Filmon) of the Minister of Energy and Mines (Mr. Neufeld) is not getting up today to announce that in fact there is a power sale between Manitoba Hydro and Ontario Hydro, which is going to commence the construction of Conawapa.

Mr. Speaker, my question is to the First Minister. I realize that the First Minister is reluctant in this regard because it is a complete reversal of Tory policy when it comes to the export of energy. He is reluctant because it is now a fait accompli that they have adopted New Democratic Party policy when it comes to Hydro development.

Mr. Speaker, will the First Minister (Mr. Filmon) indicate today to the people of Manitoba when the agreement will be formally signed with Ontario Hydro and what the details of that sale are so that Manitobans can celebrate this change of policy on the part of the Tories?

Hon. Gary Filmon (Premier): Mr. Speaker, I can understand somebody from Toronto taking the position that this Member for Flin Flon (Mr. Storie) is taking. Of course this story has been in I would say virtually every Winnipeg news media for a number of weeks now. In fact, I saw on page 1 of the Free Press the chairman of Manitoba Hydro quoted giving information about it. I heard the chairman of Manitoba Hydro on the Peter Warren Action Line talking about it.

* (1355)

Mr. Speaker, the fact of the matter is now that the Globe and Mail has got a hold of it, it is a story. Is

that the issue, finally? I know that the Member for Flin Flon is very excited about this prospect because the fact is that this is good news for Manitoba. There is no question about it.

Mr. Speaker, when you are talking about the investment of over \$5.5 billion in this province that is good news for Manitoba. That is a major, major project. I can tell him that we, in negotiating an agreement for the sale of electricity, would not do what his NDP Government did. That was, you may recall, that when they negotiated the sale they negotiated it based on 80 percent of the cost of producing the electricity in somebody else's jurisdiction—no regard to our costs of producing it here.

Mr. Speaker, when they negotiated that sale, for a number of years of that sale Manitobans would be paying more than they would otherwise if the sale had not—

Mr. Speaker: Order, please. The Honourable Member for Flin Flon.

Mr. Storie: Mr. Speaker, I think Manitobans will accept that rather convoluted acknowledgment that the NDP policy on the export of power was the right one.

Hydro Development Future Benefits

Mr. Jerry Storie (Flin Flon): The Minister has acknowledged that Manitoba Hydro and the Province of Manitoba can export power and create wealth for Manitobans, which is what we have been saying for more than a decade. Mr. Speaker, will the First Minister now commit to using the Manitoba Energy Foundation, the Manitoba heritage fund, in effect, to develop a fund for the use of Manitobans in generations to come? Will he commit to using that fund for the benefit of Manitobans today?

Hon. Gary Filmon (Premier): Mr. Speaker, when the New Democrats entered into an agreement to construct Limestone and to sell the energy to the United States, the primary benefit for them was the creation of construction jobs. For us, the primary benefit of this sale is that Manitobans will pay lower rates for electricity than they would have without the sale, lower rates for Manitobans.

Mr. Speaker, when they entered into this agreement they started the construction of Limestone so that it would be completed two years before they needed it to fulfill the terms of the sale, two years. This agreement, the construction of Conawapa, will coincide with the commencement of the sale so that we will be getting revenues the minute that the power is available to be sold to offset the costs of that construction, not like them, for two years we are paying the interest on a huge investment with no sale—

Mr. Speaker: Order, please; order, please. The Honourable Member for Flin Flon.

Mr. Storie: Mr. Speaker, the First Minister is a little defensive and that is because the terms for negotiating this sale were established by the previous Government and the profit on the Northern States Power is estimated to be \$1.7 billion by the National Energy Board.

Tuesday, December 5, 1989

Conawapa Project Employment Opportunities

Mr. Jerry Storie (Flin Flon): My further question on this very important topic is the question of how this Government intends to ensure that Manitoba business, that Manitoba people, that Northerners, the Natives, benefit from this project. My question to the Acting Minister responsible for Manitoba Hydro, or the First Minister (Mr. Filmon) is, will this Minister now, immediately set up a northern working group to ensure that Northerners are involved and establish a buy-Manitoba group to make sure that Manitoba businesses, Manitoba suppliers, Manitoba service providers, have first access, have immediate access to information that they need to make sure that they can be involved in this project from Day One? Will he set up those two groups today?

Hon. Gary Filmon (Premier): Mr. Speaker, one of the things that we will assure Manitobans is that we will learn from the mistakes that were made by the previous NDP Government. We know that although they made a good attempt at involving Northerners and Natives, they did not do enough. It was not as successful as it should have been. We will improve upon that; we will improve upon their training initiatives; we will improve upon the access to work for Northerners and Native Manitobans; we will improve upon the access to contracts for businesses and construction firms in Manitoba. We will do everything we can to ensure that Manitobans derive more benefits out of the construction of Conawapa and the transmission line than accrued as a result of their construction of Limestone.

Environmental Working Group

Mr. Jerry Storie (Flin Flon): Mr. Speaker, those assurances would mean something if the Manitoba Hydro had not already signed a collective agreement that did not make any improvements for Northerners; it would mean something if the Limestone Training and Employment Agency had not been dismantled in northern Manitoba; it would mean something if this Government understood at all what is expected in terms of Northerners and their employment.

* (1400)

Mr. Speaker, my further question to the Minister, given he has not responded to my request to set up a task force on the employment of Northerners and on business, will the First Minister (Mr. Filmon) undertake today to establish a working group on the environment to do two very specific things, No. 1, to make sure that environmental concerns are addressed, both in terms of the project itself, but also, and perhaps more importantly on the bi-pole line; and No. 2, will he make sure that any question of compensation with respect to this project is dealt with in consultation with the bands and communities affected and is done before the project commences?

Hon. Gary Filmon (Premier): Mr. Speaker, I cannot believe the hypocrisy of this Member for Flin Flon (Mr.

Storie). Limestone was done without an environmental assessment and review. The NDP specifically exempted Limestone from having a complete environmental assessment and review. One thing I will assure the people of Manitoba, Conawapa will have a complete environmental assessment, with public hearings, and so will the transmission facility that goes along with it, not like the NDP who excluded and exempted Limestone from the environmental assessment process.

Coalition of Service Providers Working Group Establishment

Ms. Avis Gray (Ellice): Mr. Speaker, the saga of the inability of these Ministers to negotiate with community groups continues from the Minister of Health (Mr. Orchard) and on to the Minister of Family Services (Mrs. Oleson).

The residential Coalition of Service Providers who represent group homes for the mentally handicapped had a meeting with the Minister recently. They met because of their grave concerns about the recommendation of the Wiens Report which have not been addressed. In that meeting the Minister refused to establish a working committee which would review the staff turnover, the inconsistencies in staff quality and the staff salaries in group homes.

My question to the Minister of Family Services (Mrs. Oleson) is this: why has this Minister refused to establish such a working group?

Hon. Charlotte Oleson (Minister of Family Services): When I met with the group I indicated to them they could follow the same program under which they are working now. They work with my staff, they bring their concerns, they sit down together and make recommendations to the staff. In essence, they have that opportunity now.

Group Homes Minister's Plans

Ms. Avis Gray (Ellice): The Minister also told them that she would not meet with the group for another four or five months which will be well into the new fiscal year. The Minister did tell this group that she had a plan and when asked to share that plan she said, I cannot, it is in my head.

My question to the Minister is this: is she prepared to transfer that plan from her head, put it on paper, and share it with the residential Coalition of Service Providers and this House?

Hon. Charlotte Oleson (Minister of Family Services): I can indicate to the Member that these plans are taking place in the department and they will be announced in next year's budget.

Coalition of Service Providers Working Group Establishment

Ms. Avis Gray (Ellice): I have a supplementary question to the Minister. The Minister has seen fit to establish

working groups in a number of areas. Can the Minister indicate to us why she is discriminating against the group who represent the mentally handicapped, and why she will not establish a working group as she has done with the day care community?

Hon. Charlotte Oleson (Minister of Family Services): That same Member has been known to criticize task forces and working groups that we have set up. I do not see what she has to complain about. I indicated to the Member in my previous answer to her first question that in essence this group has all the access to my department and has input to decisions that are made.

Minister of Health Apology Request

Mr. Steve Ashton (Thompson): My question is to the Minister of Health (Mr. Orchard) and it is in regard to the growing crisis in the health care system. This last week and a half, Mr. Speaker, the Minister has been burning his bridges, not only with health care workers, not only with doctors, but I would say with the entire population of Manitoba.

This was most obvious by his comments today in which he said that people who expressed concerns about his plans to cap billings in this province are liars. If a Member of this Legislature had made that statement in this House he or she would be asked to withdraw that statement or would face ejection.

What I would like to ask the Minister now is, will the Minister withdraw that statement categorically and also apologize, not only to the doctors, but to the many other people who are concerned about the Minister and this Government's action in terms of health care?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, when the president of the MMA withdraws this statement contained in a letter to his membership wherein, I quote, Dr. Bartlett says, unquestionably this means that doctors will have to police their patients by determining whether or not the system can afford the health services that are required. I suppose this means that we will have to tell our patients that they are out of luck on some days when we have seen our quota of patients. This is a frightening way to deliver health care to the people in need and I predict that some Manitobans will pay a terrible price in needless suffering if Mr. Filmon's Cabinet gets its way.

Mr. Speaker, when Dr. Bartlett withdraws that erroneous statement to his membership by letter properly explaining the offer that we have on the table, I will gladly withdraw the quotation accurately made in the Free Press by myself.

Medical Profession Binding Arbitration

Mr. Steve Ashton (Thompson): Mr. Speaker, since we are dealing with what the truth is I would like to ask the First Minister (Mr. Filmon), what is the position of the First Minister? Is it the position he took on March

16, 1988, when he said that we will put all issues on the table including arbitration and letters to the MMA, or is it what he said last week when he said that they will not put arbitration on the table? What is the position of the Government?

The Minister of Health (Mr. Orchard) himself at one time yesterday said there were no negotiations, then about five minutes later said there were negotiations. Finally and most importantly, Mr. Speaker, when was the Minister telling the truth, when at the First Ministers' Conference he said that we had a rosy economy in Manitoba, we had no problems economically, or what he told the doctors last week when he said the economy is going down the drain?

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. The Honourable First Minister.

Hon. Gary Filmon (Premier): Mr. Speaker, I think I can understand the Member for Thompson's (Mr. Ashton) concern for doctors. He may need one soon with his blood pressure rising.— (Interjection)— No, he is concerned for doctors. That is what the issue is and he is concerned with the income of doctors in specific. That is the issue, because at no time, at no time— (Interjection)—

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

Mr. Filmon: Mr. Speaker, as a former president of MGEA, the Member for Concordia (Mr. Doer) knows about bargaining stupid. He is an expert on it.

Some Honourable Members: Oh, oh!

Mr. Filmon: Go ahead, find something. Find something to talk about.

Mr. Speaker: Order. Order, please. It appears the Honourable Minister of Consumer and Corporate Affairs (Mr. Connery) and the Honourable Minister of Housing (Mr. Ducharme) are attempting to answer this question. I have recognized the Honourable First Minister. The Honourable First Minister, to answer the question.

Mr. Filmon: Mr. Speaker, I can tell the Member for Thompson (Mr. Ashton), who is interested in the incomes of the doctors, the most well-paid people in our society, who is out here bargaining on their behalf, that we will not allow patients to be turned away. We will not allow patients to suffer in the system with the commitment we have made to one of the largest capital works programs ever in our history, with the commitments we have made in two straight budgets to increasing spending in health care by almost double the rate of inflation. We are concerned for the patients and the citizens of Manitoba, and they will get the finest quality of health care that this Government and this province can afford.

Mr. Ashton: My concern is for the patients and the future of Medicare in this province.

* (1410)

Minister of Health Speech Tabling Request

Mr. Steve Ashton (Thompson): My final question to the Premier (Mr. Filmon) is as follows: why, since the First Minister, the Minister of Finance (Mr. Manness), and the Minister of Health (Mr. Orchard) debated last week with the MMA; why, given the fact that he has now indicated the truth in this province, the economy is going down the tubes—that is what he said. He said that revenues were going down, that the economy is worsening. That is what was said to the MMA at the meeting last week.

I would like to ask the First Minister (Mr. Filmon), first of all will he have the Minister of Health table that speech, something he would not do when he met with the doctors? More importantly than that, will he clarify exactly what next is going to be on the chopping block as we go into a worsening economic situation under the Tories? What else—

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

Hon. Gary Filmon (Premier): What we did was quote from a monthly magazine of the Canadian Medical Association that indicated that nationally right across the board they were expecting transfer payments to go down from the federal Government and that is in their own news organ, Mr. Speaker. That is exactly the information that they ought to know better than anyone else because their own Canadian Medical Association published the figures and published the expectations and their projections which was the basis upon which we were saying, you ought to know what the situation is, because your own Canadian Medical Association has told you the facts and the figures about revenues country-wide nationally going down.

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

Mr. Ashton: My apologies due to the heckling back and forth, I did not hear the answer to my question. Did the Minister indicate he would table the speech given by the Minister of Health?

Mr. Speaker: Order, please. The Honourable Member does not have a point of order. The Honourable Member for Kildonan.

Seven Oaks Hospital Emergency Services

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, a week ago, we raised the issue of emergency care at Seven Oaks Hospital. Unfortunately, there are 10 patients hooked to IVs in the hallways waiting for beds. Can the Minister of Health tell us why he has not taken any action for the last 18 months to justify the needs of those patients who are seriously ill waiting with IVs hooked up? They are waiting in the hallways. Can the Minister tell us why he has not taken action so far?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I naturally cannot answer that question because I have indeed taken action and this Government has indeed taken action. Mr. Speaker, two successive capital budgets will see the availability of 286 new personal care home beds. The Health Advisory Network study will see the commissioning of 88 beds currently in the system at Deer Lodge. Mr. Speaker, we have a reasoned and comprehensive approach to the delivery of health care in this province. We are not narrowly meeting the agendas of individual lobby groups, professional groups, administrators or hospitals or institutions in resolving the problems. We are dealing with the system in an equitable basis through the Capital Program, through increased funding, through new programming, through enhancement of programming for recruitment of physicians, ambulance funding, and on and on.

Mr. Speaker, that is exactly the agenda that this Government has been on with the results of better quality—

Mr. Speaker: Order.

Health Care Emergency Services

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, if their policy is working, why are there patients waiting at Concordia Hospital, Misericordia Hospital, why are they waiting at Seven Oaks Hospital? Mr. Speaker, last week two male patients were admitted to the gynecology ward at the Health Sciences Centre. Mr. Speaker, this is the first time this has ever happened.

Can the Minister of Health explain to us why such unfortunate circumstances are being offered to the patients of Manitoba, so that they have to be admitted at the gynecological ward. Maybe the Premier would like to answer this question.

Hon. Donald Orchard (Minister of Health): Mr. Speaker, during the debate of Estimates in which this issue was not discussed and during the Manitoba Health Services Commission debate, and we debated more than the half hour we did last year, this issue was not brought up. I indicated to my honourable friend and I thanked him for being responsible in that when I was the Health Critic. The number of panelled patients that were in the wards of hospitals in Winnipeg exceeded 450 patients four years ago and three years ago when I was critic.

At that time, I could have taken television cameras and raised the issue daily in the Question Period but I chose not to because the problem continues despite the fact that there are only 360 panelled patients in the hospitals. The situation is definitely improving and will continue to improve as personal care home beds are built and put into service and as decisions are made.

Goods and Services Tax Impact Health Care

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, the effect of GST will not only increase the cost of operating hospitals and nursing homes but will also increase the cost of homemakers, who are very essential for the seniors services. Can the Minister of Health tell this House what studies he has commissioned in Manitoba to make sure that the effect of GST will not be a cost to health care in Manitoba?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, the whole issue of the GST and its impact on the health care system is one in which the understanding we have to date of the implementation of the GST is that it will have no application to the health care programs of the provinces. Therefore, the impact will not be there.

There are notable exceptions, and I am informed they are exceptions by omission rather than commission, in that the psychologists, in charging fees, are now under present provision subject to the GST. In discussions with the former federal Minister of Health he indicated that is an error of omission rather than commission, and an appropriate exemption will be put in place for those professional psychologists.

Housing Market Government Initiatives

Mr. Jay Cowan (Churchill): My question is to the Minister of Housing (Mr. Ducharme). Every housing related economic indicator for Manitoba for the present year has shown that Manitoba is lagging far behind most of the other provinces in developing a strong housing market. Housing starts are among the lowest in the country. Vacancy rates are up. Housing resale values are falling.

Just yesterday we learned that housing starts in urban centres in Manitoba have dropped over 53 percent from October 1988 to October 1989. That is the largest drop in the country. Today the Financial Post quoted statistics that show the resale value of existing houses in Manitoba is lagging behind most of the rest of the country.

My question to the Minister is, what action is his Government taking to confront this emerging crisis which is affecting every Manitoba family, whether they want to buy a new house, sell their existing house, or move into an older house?

Hon. Gerald Ducharme (Minister of Housing): Mr. Speaker, I do not know what the Member is asking us to do, to now lower the prices of housing or whatever. If he looks through the records he will see that the price of Manitoba housing is about \$83,000.00. Does he want us now to come up to the level of Toronto, which is around \$210,000, or does he want us to go to B.C., where it is \$220,000.00? I would say that if he is comparing housing prices and comparing the marketplace, right now Manitoba is the time to buy those particular houses.

Analysis

Mr. Jay Cowan (Churchill): If Manitoba is the time to buy, then why is the resale of housing in this province dropping so fast, like bricks, in comparison to other provinces? Every time a new house is not built jobs are lost. Every time a Manitoba family cannot sell their house, an existing house, they are affected.

I would ask the Minister if he has done any analysis that takes him beyond the simplistic factor of prices to determine why it is our market is slumping so badly and what the Government should be doing in order to help Manitoba families not only gain jobs but be able to sell their existing houses?

Hon. Gerald Ducharme (Minister of Housing): If the Member from across the way will go to the home builders, he will find through conversation with them that now Manitoba is at the average of what it should be in its supply.

If he wants to compare, and I repeated it for the Member the other day—and he always talks about the Lyon years, he wants to compare those particular years. From '77-81 the housing starts in Manitoba were 25,925. If he wants to compare the next five years under the NDP, that five-year cycle was 23,450 starts.

So, Mr. Speaker, just for the information, the home builders are very confident, and it is in five-year cycles. They feel there is an oversupply. However, due to the—

Mr. Speaker: Order, please. Order.

Low-Income Housing Advocacy Group

Mr. Jay Cowan (Churchill): Last year, in October 1988, there were 461 housing starts in urban centres. This year, in October 1989, there were 216. That is the responsibility of the Minister of Housing (Mr. Ducharme) now, not what happened in years past.

If the Minister will not help homeowners, will he at least help the poor and the working poor families who have to rent housing? Will he agree to providing housing advocates, as was requested by church leaders and other Manitobans at a candlelight vigil yesterday, to deal with housing problems? Will he at least provide that sort of assistance to renters and the working poor?

Hon. Gerald Ducharme (Minister of Housing): Mr. Speaker, I am glad the Honourable Member has brought that up.

To the Honourable Member, we do have a vacancy in our housing, and under the direction of the Winnipeg Regional Housing Authority they are going out to notify these particular groups. The vacancy rate is around 4.3 percent. The waiting list has reduced under the last two years. I have instructed my staff to get together with Winnipeg Regional Housing to make sure those people are familiar with that particular vacancy rate in Winnipeg.

Mr. Speaker: Time for Oral Questions has expired.

ORDERS OF THE DAY

* (1420)

Hon. James McCrae (Government House Leader): Mr. Speaker, I move, seconded by the Honourable Minister of Culture, Heritage and Recreation (Mrs. Mitchelson), 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 and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Housing; and the Honourable Member for Burrows (Mr. Chornopyski) in the Chair for the Department of Environment.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—HOUSING

Mr. Chairman (Harold Gilleshammer): I call this meeting to order. When last we met we were considering the Estimates for the Department of Energy and Mines. Due to a change in the sequence, we will be considering the Estimates for the Department of Housing. Will the Minister responsible begin with an opening statement. The Honourable Minister.

Hon. Gerald Ducharme (Minister of Housing): Thank you, Mr. Chairman. I welcome the opportunity to talk about the priorities and achievements of Manitoba Housing. The budget before me reflects a continuation of previous levels of activity.

Our Government remains committed to providing additional needed non-profit housing to ensure an adequate, affordable supply for lower-income households.

I will continue to fund both publicly and privately-owned non-profit housing throughout the province in co-operation with the federal Canada Mortgage and Housing Corporation.

Mr. Chairman, in recent years we have cost-shared with CMHC about 800 new units annually, with a capital cost of about \$50 million. We expect to achieve the same level this year.

In addition, Manitoba Housing will finance the development of a further 400 to 500 units through provincial-only programs at a cost of some \$32 million.

Through our shelter allowance programs, we expect to pay monthly rent subsidies to some 7,000 tenants renting in privately-owned buildings. This assistance will amount to approximately \$6.4 million.

I am happy to have been able to announce just last Thursday that we are increasing payouts under our shelter allowance programs by an increase of an estimated \$633,000 annually. That is a 10 percent increase over the amount initially budgeted for 1989-90. This means that effective January 1, about 92

percent of the elderly clients and 97 percent of the family clients will receive increased monthly benefits.

In 1989, as in recent years, we are continuing to concentrate on helping special needs and low-income households for whom participation in the market remains difficult, and particularly in rural communities and Winnipeg's Core Area where private-sector activity is minimal or non-existent.

Noteworthy projects that we will finance this year include a Native Women's Crisis Shelter on Spence Street and short-term housing for immigrants who need a place to stay till they can get on their feet. We will also continue to provide rent supplement units as necessary for the physically handicapped to ensure that special mobility suites are within the financial reach of all who need them.

These monthly subsidies for suites in the private marketplace bring a tenant's rent down to 25 percent of income and are cost-shared with the federal Government. We will fund an additional approximately 130 suites this year in a variety of housing to bring our total number of rent supplement units in the province to about 1,500.

* (1440)

Winnipeg's Core Area has been one of our primary areas of activity and will remain so this fiscal year. Last year, we committed over 130 units for the core area under our public and private non-profit housing programs.

This year, we expect to commit about 200 units in Winnipeg's core under these two programs. I might mention that these numbers do not include activity under the Urban Native Grant Supplement or Co-op HomeStart Programs, all of which will add even more non-profit housing to the core.

Mr. Chairman, we are concerned about the federal Government's recent decision to eliminate the landlord portion of the Residential Rehabilitation Assistance Program.

This program has been very successful in encouraging the upgrading of older privately-owned rental stock in the core area.

By its nature, rental RRAP also served the needs of low-income households tenancing those units. We believe that terminating this program will save the federal Government money in the short term, but will result in significantly increased public subsidy costs in the long run.

This is because these units are unlikely to be repaired without assistance and will continue to deteriorate and be lost to the housing stock, thereby placing greater demand on the far more expensive non-profit housing program.

I wrote to the federal Minister in May, expressing my concerns and discussed the issue with him further at the Federal-Provincial Housing Ministers' meeting in July. Unfortunately, the decision to eliminate the landlord RRAP seems firm.

Tuesday, December 5, 1989

Mr. Chairman, when our Government announced its intention to develop jointly lands in the south, which we now name Grandin Park South, will be known as Grandin Park South, in the south section of St. Boniface, we were criticized by the Opposition for supposedly not paying enough attention to the housing needs of low- and middle-income Manitobans. I think the fact that we have committed financing for the construction for some 2,400 new units of non-profit housing over the last two fiscal years shows that we will take our responsibility to all Manitobans very seriously indeed.

I would also like to stress, as I have previously in the House, that profits from Grandin Park South can be used to further enhance housing programs for low-income Manitobans, which is our more traditional area of activity.

Let me briefly highlight some of this year's non-profit projects currently under construction or in the planning stages:

Under our private non-profit program, 14 groups have been approved to receive up to \$75,000 each to further develop their proposals for non-profit housing. The proposals include 293 units for seniors, 86 for families and 67 units for persons with special housing needs. The groups funded include:

- the Riverborne Development Association, 27 units for seniors;
- the Lions Club of Selkirk, 36 units for seniors;
- Filcasa Housing Co-op, 17 senior units, 12 for families;
- Maps Housing Co-op, 16 units for families;
- Weston Residents Housing Co-op, 14 family units;
- the Southeast Asia Refugee Community, 67 units of transition Housing for refugee families;
- the Westminister Housing Co-op, 34 units for families and singles.

Under our public non-profit program, we expect to commit family projects in Lac du Bonnet, Virden, Brandon, Neepawa and The Pas, as well as crisis shelters in Brandon and Winnipeg.

Under the Urban Native Program, nine Native organizations will receive funding to provide 120 units of non-profit housing for families and seniors. Under the Rural and Northern Program more than 150 units for families and seniors will be built in smaller communities throughout the province.

I would like to mention briefly now the state of the private housing market. While under-subsidized private sector construction has been very high in recent years, it is clear we have reached the end of a cycle. Building starts peaked in 1987 and have been declining since then. We expect about 4,000 starts in 1989, which is just slightly below Manitoba's 10-year average and still a respectable level. In fact, builders consider this a return to more normal times, compared to the building booms of '86 and '87.

Nevertheless it is likely that the department's activity will account for a greater proportion of starts, and that we will be more significant support for the building industry over the next few years.

Vacancy rates in Winnipeg are currently around the 5.5 percent and this is having an impact on vacancies in our own public stock. The waiting list for public housing in Winnipeg has declined 30 percent over the last two years and the vacancy rate in our units is now 4 percent.

The majority of the vacancy units are in bachelor suites and in our older, elderly-persons' projects. We no longer build bachelor suites and tenants understandably prefer a large one-bedroom suite if available.

These vacant bachelor suites are a concern to us, and we have recently intensified efforts to market these units. At the same time, we continue to explore alternate uses for them.

Problems associated with housing the elderly are becoming a growing concern to staff and to social housing managers. Mr. Chairman, 15 years ago, our average tenant was 65, healthy and active. Today, the average tenant is 78 years of age and two-thirds receive some form of Government support care at least once a week.

Dealing with the increasing need for support services for the elderly at a time when there are stringent financial constraints facing Government, it is not easy.

Manitoba Housing hosted two workshops this spring for housing managers, health and social service providers, seniors, advocates and tenants themselves to discuss ways of coping with tenants who may have been fit and independent when they first moved into senior housing, but whose health is now declining. We will continue to work closely with other departments to address this important issue.

As Members may know, one of the Government's major legislative packages this Session is a total revamping of the existing Landlord and Tenant legislation.

Passage and implementation of the new Residential Tenancies Act will be a major goal of the department over the next year.

In conclusion, the department's operating budget for the year under review is \$50 million, roughly a 4 percent increase over last year and in keeping with the rate of inflation. This \$50 million represents subsidy costs associated with a wide variety of housing-related programs and the administration costs of 255 staff members. It covers only the operating cost of existing and planned projects and programs. It does not include the capital cost of financing and developing new projects.

Legislative authority for new construction is \$101 million. I might also mention that the \$50 million requested for operating is net of anticipated CMHC coverage of \$33 million, and net of rental revenue of approximately \$50 million, a factor in the 101 million in capital loan authority mentioned earlier. You can see that the department's total capital and operating expenditures for 1989-90 amount to some \$234 million.

Mr. Chairman, I now welcome the comments via the two critics and then go on to a line-by-line review of these Estimates.

An Honourable Member: On a point of order.

Mr. Chairman: On a point of order.

Mr. Jay Cowan (Churchill): It is a normal practice when the Minister provides us with a written statement at the opening of Estimates, for that written to be circulated among the critics. I wonder if we could have copies made.

Mr. Ducharme: Sure, yes.

Mr. Chairman: For his opening statement, the Member of the official Opposition, the Member for Inkster.

Mr. Kevin Lamoureux (Inkster): Mr. Chairperson, I will be somewhat brief so that we can go into the questioning of the line to line for the department, but before we proceed onto that I did want to get a few matters under my opening remarks.

The first thing is in regard to what I perceive is the attitude of this Government really when it comes to non-profit or low income housing in the Province of Manitoba. Yesterday, as we are all aware, we had a vigil, and that vigil was regarding the status and state of our non-profit housing and the need to improve and to have adequate housing for those of the province who are less fortunate. It was very discouraging to see that neither the Minister of Housing nor the Minister of Family Services (Mrs. Oleson) nor in fact any Member of the Government had taken the time out to attend that particular vigil. I think being sensitive to the communities is one of the ways that you are going to be able to plan in terms of departmental planning. I thought it was somewhat unfortunate that was not the case in this particular instance.

Last year, Mr. Chairperson, actually the Leader of the official Opposition had made reference in her budget regarding MHRC and the deduction, or what we had perceived as the deduction, because it was a deduction on the budget. The Minister of Housing responded in his budget debate saying that it was not what the Leader of the Opposition had stated. In fact, it was because of lower interest rates as the reason why that particular line had—or the transfer payments to MHRC had gone down.

If we look at the actual lines today, we will see that in the year ending of '88 there was \$27,914,000 and then at the estimated year ending in '89, \$27,245.00. That is the deduction that we were referring to. The Minister's response to that was in fact that it was due to interest rates, that the previous federal Government under Trudeau had signed these mortgages, yet much to my pleasant surprise, I see in this year's actuals that at year ending it was actually an increase up to \$28,866,500.00. It would be interesting to see how he can explain that substantial difference and if the same would be applied in terms of interest, or maybe he can talk about poor accounting in that particular area.

The Minister of Housing in his opening remarks made reference to housing starts. If we look at the housing starts in Manitoba in the past year and a half, or since this Government has taken office, we will see in the last 10 months of 1987 in the five major urban areas we had housing starts of 5,813. In 1988 in the same period of time we had 3,983. In the last 10 months of this year we are down to 2,740. That is a substantial decrease in housing. The Minister of Housing was quick to respond that it has gone down faster in the past under the NDP administration.

* (1450)

Mr. Chairperson, those are not really the types of answers that we are looking for. We are looking for answers that will assure us that the Minister recognizes this Act, to find out what it is that he is doing to address that particular problem. He predicts for 1989 in his opening remarks that housing starts will be at 4,000. Maybe one of the reasons why we might hit that 4,000 mark is because of the goods and services tax.

I believe you are going to have a large number of people purchasing newer homes before the goods and services tax takes effect. It stands to reason that if you can save \$3,000 to \$4,000 on an \$80,000 home or \$82,000 home which is the average—or actually it is a low-end price for a new home—I can understand why people would be wanting to buy, and I can see some type of mini-boom, if you will, in the housing market if that is the case.

I must also say I was somewhat surprised that a Tory-dominated committee in the House of Commons is also now sending out signals throughout the country that we could in fact be taxing the goods and services tax on not only new houses but also older homes too. I am going to argue that this type of tax will serve a devastating blow to people who are wanting to be first-time home buyers.

I can talk about my own particular situation in which I personally had a hell of a time trying to—I hope that is not unparliamentary, Mr. Chairperson, if it is I withdraw that particular phrase. I had a hard time myself in trying to generate enough money to have my down payment. I was grateful that I was able to. The mortgage payments, I am still paying the mortgage payments and I will for another 24 years, or 22 years.

An Honourable Member: And a hard time doing that if you are like the rest of us.

Mr. Lamoureux: That is right. I think I can speak on behalf of most first-time home buyers. It is a challenge to try and get that 10 percent. This goods and services tax is going to put an extra \$3,000 on an \$8,000 (sic) home, in around that figure. The alternatives there are not very good, not very positive. The simple reason is you are either going to have less equity in your home if you need to apply that goods and services tax to your mortgage, or you are going to have to maybe go out and ask family members or friends to lend you money so that you can come up with those additional monies.

I hope that the Minister of Housing has been aggressively approaching this issue, and he should be

Tuesday, December 5, 1989

if he has not already. He should be contacting his counterparts in Ottawa and making sure that the views of this Chamber, thereby the views of Manitobans, are heard loud and clear on this particular issue.

Last year I had brought up the landlord and tenant legislation and the need for the Government of the Day to introduce or to bring forward this type of legislation. Shortly after the election, the Premier (Mr. Filmon) of the province had said that it was not a high priority, that in fact it would be put on a back burner. I was somewhat discouraged to hear shortly after I had made the comment that the official Opposition would be very co-operative in ensuring that legislation be dealt with in a very fast and appropriate manner so that the landlords and tenants would both benefit. After all, the recommendations that the legislation is actually based on were made up by landlords and tenants.

We have laws in the province in place to provide harmony, and if the landlords and tenants could come up to a consensus on 139 recommendations, I believe it is important for the Government to act fast, as fast as possible, that in fact it should not be put on the back burner. I would like to think, Mr. Chairperson, that pressure from the official Opposition prevailed. I think if you look at the legislation you will see the wording of it might have been rushed somewhat.

We are going to see a few amendments in terms of changing some of the wording around, and I do not mind because I appreciate the Minister of Housing (Mr. Ducharme) taking the initiative, even though he plodded somewhat in bringing forward this particular piece of legislation. You know, Mr. Chairperson, one of the concerns that was brought up from many groups that I have met with regarding The Landlord and Tenant Act was in regard to the rent guidelines. I do not want to mislead this committee nor anyone else.

The Liberal Party endorses rent control 100 percent, but this is a time when we see such a high vacancy rate. I think there are a lot of tenants who might not be receiving that 3 percent increase. There are landlords that will increase that 3 percent automatically, Mr. Chairperson, and they do that because they know the following year they are unable to increase it.

I think really what needs to be done in this area, we have to start looking in terms of the guideline, possibly looking through the public or going through committees such as the Public Utilities Board. It is important that we take the tenants' interests. I believe that many of them would not be paying the rent that they are paying now because they had a 3 percent guideline brought in and had taken it for granted, Mr. Chairperson, that 3 percent is all right because this is what the Government says that it is, it is okay if it is 3 percent because an advertisement says that your landlord can increase it 3 percent.

Actually during the summertime I had brought up the rent control and the need for people to be aware of the fact that even if you receive a 3 percent or anything below a 3 percent rent increase, you can appeal it. Mr. Chairperson, the Minister will tell you, well, it is on the form, that it is advertised, but the fact of the matter is that if you approach tenants you will

find that a vast majority of them are not aware of that fact, and many of them will accept the 3 percent increase for several years.

I make reference, for example, to the Albina place, which is a residential complex that myself and my colleague from St. Vital had brought up in which they accepted that 3 percent because they did not know that they could appeal it if it was at 3 or below 3 percent, and then all of a sudden they are hit with a fluctuating, depending on which unit you are in, 10 to 20 percent rent increases.

One of the suggestions that I did suggest was that on a notice of increase of rent, you should have a clause in there that basically states that you can appeal a rent increase at or above or below the guideline itself. The cost of that, Mr. Chairperson, would be really next to nothing, because you have to print up the forms. As soon as these current forms run out, when you are going for your next print, include that on the form itself.

At present, and I read from it, it says that a tenant has the right to object to an increase in rent, see bottom of form, and nowhere does it really state that if the rent is below that rent increase of 3 percent, you can in fact appeal it. Many tenants are of the opinion, Mr. Chairperson, that that in fact is the case.

In making reference to the Ladco-MHRC deal that the Minister had made reference to in his opening comments, which was Meadows West, I make reference to it as the Ladco-MHRC deal in the south end. Meadows West, the Minister asks me what I call Meadows West. The Ladco -(interjection)- the Member from Churchill (Mr. Cowan) suggests that I should call it the Ladco-MHRC sweetheart deal. I do not know, Mr. Chairperson, I think I could probably concur with the Member for Churchill, because I do have a lot of reservations about the Ladco and the MHRC deal. The Minister of Housing (Mr. Ducharme) says that he has none.

* (1500)

My intentions are to pursue some questioning. I am sure he would be more than happy to answer those questions, because I believe that on the surface I have not been totally convinced that the province received the best deal. The Minister can flash these \$9 million profits and he is going to put it toward non-profit housing, Mr. Chairperson. I do not think that that is going to happen. I believe that the Minister maybe signed an agreement he should not have signed. I think he should maybe have been looking at the other deals and ramifications and the housing market and the projected revenues, and speak in terms of realistic terms.

Mr. Chairperson, the Minister of Housing (Mr. Ducharme) says that he has looked at the deal, and this will be an opportunity for me to let him know. For example, during Question Period a couple of days back I asked him how many houses in regard to the deal and how much profit was going to be made in the first five years. I had suggested that more than 50 percent of the profit was going to be made in the first five years. According to his paper, that shows it at \$5.25 million.

On his press release regarding that deal dated May 25, 1989, it says that the profit projected is \$9.7 million. Well, again using his own figures, that tells me that \$5.5 is more than 50 percent of the profit, yet the Minister of Housing seemed to be somewhat persistent that that was not the case.

Mr. Chairperson, the Minister of Housing also made reference to the number of houses that are going to be built in that particular time span, and instead of going on and on on this, I plan to show maybe his answer was not quite as correct. Maybe the Minister did not really know what he signed when he applied his signature to that piece of paper.

Another concern that I raised last year, representing the official Opposition, was the whole question of infill housing. Mr. Chairperson, last year during the Estimates process, the Minister of Housing (Mr. Ducharme) had made a commitment. I should not say a firm commitment, but he did say that basically our goal was to reach 33 infill houses. I was glad to hear that, even though it was down 17 from the previous budget, but I was still glad to hear that they did not can the program. As the year went on and the Estimates or that cycle year came to an end, it was unfortunate to see that there were no infill houses built.

I think, Mr. Chairperson, that again shows the commitment of this Government toward good housing initiatives, good housing programs. This is the program that the NDP had brought in, but it is a program that we support and we would like to see continue.

This year so far there still has not been, unless in the last month and a half, any construction on infill houses. I know the Minister will tell me about my own community of Weston, and I am grateful that Weston is going to be getting some. Weston has been working very hard as a community, as a revitalization board to try and do a lot of things, and the infill houses play a major component in terms of that area being revitalized. Mr. Chairperson, I would hope that Weston will not be the only benefactor, that there are other revitalization programs, and I will make another plug for Shaughnessy Park which is in my particular riding in which they started up a revitalization program.

I am hoping that when the Minister of Housing (Mr. Ducharme) and his department is presented a list from this particular group that he would give some consideration also to the infill housing as a potential program that will help revitalize that area.

Mr. Chairperson, I believe that should apply to all areas, not only in the City of Winnipeg, but the rural parts of Manitoba also. Rural Manitoba is in need of social housing and non-profit housing revitalization in some areas, and if the infill housing program can help facilitate this revitalization then I would hope that the Government or the Minister would take that into account.

I am sure we will see some infill houses built by the end of this year because the Minister has made I believe a commitment that he will not back down on. I appreciate that.

Mr. Chairperson, there is also another issue that I would like to take light on and that is of course our

shelter allowances. It was interesting when I first asked last fall about the SAFER Program in particular, and the Minister of Housing (Mr. Ducharme) stated that it was not in fact a cutback, that there was no cutback, and that I was reading things incorrectly. Part of his answer included that when the Estimates come then I will find out that in fact I was wrong.

Well, Mr. Chairperson, through an Order-in-Council we actually found out the truth. We found out in fact that there was a cutback in the allotment and that can be pointed out right in black and white. That is the nice thing about Hansard; when we do meet in forums of this nature, you are able to point out things that someone has said and if there is a bit of a contradiction you are able to point that out.

Then later on in fall, Mr. Chairperson, again through questioning from the official Opposition, we had the Minister of Housing (Mr. Ducharme) starting to admit that there was maybe a bit of a cutback in the allotment portion. He shakes his head. I hope he is not saying no now. Then he starts saying, well, okay, but this was a PC initiative. It was Sterling Lyon who brought it in and the NDP did not increase it, where it has been increased twice in the past six years.

I think the Minister of Housing should give credit to where credit is deserved and look back to 1979 when the Member for Fort Rouge at that time and now a Member of Parliament—

An Honourable Member: A very capable predecessor.

Mr. Lamoureux: That is right, the predecessor of the Member for Fort Rouge (Mr. Carr) currently and that is of course Mr. Lloyd Axworthy who introduced a resolution suggesting that what is needed in this Chamber was Shelter Allowance Programs for our seniors and for our families.

What I thought was responsible of the Minister of Housing (Mr. Ducharme) to do was to finally admit in his own way that what I was pointing out was correct. That he did need to review the matter. He did review the matter, and now he has come up with an index of 10 percent or 9 to 10 percent, depending on which way you look at it. I believe, Mr. Chairperson, that if this was not a minority Government, if it was not for the pressure put on from the official Opposition, that increase would not have been coming.

I do not believe that this Government would have increased it and I think being responsible positive Opposition we brought this to light, and ensured that the Government did the right thing. Wherever we can help the Minister along in this nature we will be more than happy to.

There are many areas the Minister has decided to cut along or change that we will be making more references to during the line of questioning, one of those of course being the Critical Home Repair. The Minister will say we did not cut that program. No, no, they did not—the Member for Churchill (Mr. Cowan) is like myself. Technically the program no longer exists but it has been replaced.

The question is: how has it been replaced, in what manner? Instead of giving you the answer, I think maybe

in all fairness I will let the Minister of Housing (Mr. Ducharme) through my questioning answer and facilitate what he perceives of that particular program.

Mr. Chairperson, we can go on to the same type of changing in the housing co-ops. The Minister of Housing has made reference to the landlord RAP Program being cut by the federal Government. It is unfortunate that we lost this program. That program provided initiative for our landlords downtown in the Core area and even outside of the Core area to improve the living conditions of many tenants. We can go back to that vigil yesterday in which the Government did not have any Members, but I should not bevel on that point, even though it somewhat upsets me.

An Honourable Member: Was the NDP there?

Mr. Lamoureux: No, the Liberal Party was the only one there, the official Opposition. Anyway, Mr. Chairperson, I should move along with the last emphasis on that landlord RAP. It is unfortunate that we have lost that program, but I am sure that the Minister of Housing will not give up easily. If he is unable to persuade his federal counterparts otherwise, we will see the Government possibly coming up with an alternative to it.

One last comment, Mr. Chairperson, because there are other questions and we do have a limited amount of time. I was not even planning to spend this amount of time on my opening remarks. We also wanted to look at the women's battering shelter. There is a need, and we have seen some direction from the Government in meeting part of that need, but we have had federal Government make monies available to the development of these shelters and I think it is an opportunity in which we can ensure that wherever there is a need we should be able to meet it.

Yesterday—it was just from a group that I met with. They brought up the need for a Native shelter for women up in The Pas. I am hoping to get some answers from the Minister in that area, because if there is a need now we have the opportunity to get the \$300,000 I believe it is or \$340,000 from the federal Government to ensure that program goes ahead. If there is the need there or anywhere else, and we recognize the fact that the Minister has done some work in that area, but if there still is a need in some areas, that we should be looking at that because the money is being made available.

* (1510)

Another thing along the same lines with the shelters such as Osborne House. In many cases what happens right now is we will have a woman entering the shelter and she is going to be requiring housing after she leaves that shelter. Because of some of their situations, whether it is a very low income or the need to be able to be of help in any manner, there is no housing or there is no guarantee for housing in the non-profit sector to ensure that person that they have a place to go after that shelter, and when they are in the shelter they should be receiving counselling.

If you are only allowed to stay in there, I believe, it is for 21 days, many of them are out there looking for

another place to live. If we were to provide a six month transitional house so they could go from shelters, like Osborne House, into a transitional house, Mr. Chairperson, it would make life a lot easier for these women who have been put in such an unfortunate position.

The Minister of Housing might say there is a cost factor to everything I am saying. Well, there might be a minimal cost factor to something of this nature, but if we take a look at converting a block, whether it is over time or whether it is through construction of some non-profit units being allocated to designate one of those blocks as transitional housing, the cost would be no more than what it currently is, because these women are waiting, in some cases, to get into non-profit housing. If we can accommodate that and take the pressure off them of looking for a residence inside the shelter maybe then they can be getting the counselling that they deserve, that they need, and many are requiring.

On that note, Mr. Chairperson, I will conclude.

Mr. Chairman: I would recognize the Member for Churchill for his opening statement.

Mr. Cowan: I would like to start off with laying before the committee a basic premise, which I believe should, in large part, direct the review of the Estimates of the Minister of Housing in the Department of Housing. I am going to put it forward, because I believe it is an overall goal to which we should all subscribe and one which I think we can all agree to, at least in certain respects. Our disagreements will boil down to matters of implementation of certain policies, as well as, program delivery.

I believe if we start with the concept that housing is a right, that we all have a right to adequate, affordable, accessible housing, then we can start to build policies and programs around that basic premise which deals with specific problems. If we agree that it is a right—and I do not know anyone in this room, I do not know of any individual, notwithstanding what their political ideology might be, who would disagree with the statement seriously that housing is a right. There may be some who would disagree as to how they would like to see that right exhibited and how they would like to see the responsibilities dealt with, but basically everyone would agree that someone else should have the opportunity to live in decent shelter, and that shelter should be shelter they can afford without driving them into debt, or without restricting their access to it, because of no adequate shelter being available to them that is affordable.

The Member for Inkster (Mr. Lamoureux) had indicated he had trouble making a down payment, as did we all, on a first-time basis. We all have trouble with the mortgages from month to month as occasions arise, but the fact is we can afford the housing. It is a difficulty, but we can afford it.

There are far too many in this society who cannot afford that sort of housing, and in this province who do not have that sort of housing. Therefore, if we agree

it as a right, and we agree that not everyone has access to that right, or enjoys that right in the way in which they should, we also should agree that Government has a responsibility to then fill in the gaps. The Government has a responsibility to ensure our rights are protected. The Government has a responsibility to ensure that where the basic needs, shelter, food, and clothing being foremost among them, are not accessible to step in and provide support.

I believe, from my perspective, that Government must treat everyone equitably, but at the same time must protect the most vulnerable in society. I believe there are distinctions among our citizens as to how they can access our programs and how they enjoy the rights, which all citizens should enjoy equally. There are those who are vulnerable, and we must address our priority needs toward those who are most vulnerable in the first instance.

I believe Government can fulfill its responsibility by three means. One is the provision of services, programs and policies. The second is the regulation of legislation and the regulation of circumstances where they require that sort of direct Government involvement. The third is the encouragement of the development of housing programs by others, and housing generally by others, so we can work in a partnership, in a collective, be it private or public, be it non-profit or profit, or a co-operative to meet housing needs. I think everyone wants to do that.

Having set out those premises I have to tell you, Mr. Chairperson, that I do not think the Government has a very good record in that regard to date. We have indicated some of the statistics that lead us to that conclusion, but before going into detail I want to make a point as well. I think some progress has been made in some areas by this Government. So while the record is not very good overall I do not think it is entirely negative. I think we have a responsibility to congratulate and commend the Government where in fact they have made progress. I think Bill No. 42 is a good start, The Residential Tenancies Act.- (interjection)-

* (1520)

The Member for Fort Rouge (Mr. Carr) says he does not know how the Minister of Housing (Mr. Ducharme) got that Bill through his Cabinet. I have to agree that it was probably a very difficult task, and I have to congratulate the Minister in persevering. I think it shows a very strong commitment to that Bill.

There will be amendments that we think are important to be made, and we will be making those amendments along with other Parties as well. They will either survive or fail on their merit at the committee stage.

We do believe there are some gaps in that Bill overall that require filling. We believe there are some inconsistencies. We believe there are some wording changes that will be required, but overall we believe that is a very good start toward regulating the industry and the housing sector in an equitable way. We will leave the committee hearings as a time when we can discuss the detail of those amendments, but we will be bringing those forward.

I wanted to make this point, because I heard something outside of this building which distressed me somewhat. I have also heard it in the Chamber which distressed me. There is some suggestion by the Liberal Housing Critic (Mr. Lamoureux) that we are holding up the passage of that particular Bill. It was just related to me the other day that again someone had heard that mentioned. I do not know if it is an accurate reflection of what the Housing Critic may have said outside of this House for the Liberals or not, but I do want the record to be straight.

I can tell you, Mr. Chairperson, that the New Democratic Party Opposition has a few more speakers to speak on that Bill, because we believe it is an important Bill and one which requires the support of all legislators. For that reason we want, as Members, to put on the record those comments which we believe will assist the Minister, because we believe his task of getting it through his Cabinet is not yet over. That will assist the Minister in ensuring that Bill becomes a reality. However, the fact is that Bill has not been called for several weeks now, and that is of concern to us.

The Minister can relate to you that I have had personal conversations with him asking that Bill be called so we can deal with it before the Christmas holiday. I can also indicate to Members that the New Democratic Party Caucus, through our House Leader (Mr. Ashton), has written to the Government House Leader (Mr. McCrae) saying that is one of the priority Bills we want to see passed before the Christmas holiday. In order for it to be passed it must be called.

I want the record to be very clear. We think it is a good start. We think it is based largely, in part, on what we had done as an effort throughout the past couple years starting with the task force. So the working group that included landlord representatives, representatives of Government, representatives of the housing organizations out there, it did not follow what we had as a draft Bill that was ready to introduce when the Government fell, but it is close enough to it that we believe it can be improved upon in the committee stage, and we will be working toward that goal.

We also think, in some of the areas, that the Minister outlined some social housing, the Native women's crisis centre, the Riverborne Development Association, housing for seniors, the Lions Club housing for seniors in Selkirk, the Filcasa housing co-op, the Maps housing co-op, the Weston residents housing co-op, the Southeast Asia refugee community, transitional housing and the Westminster housing co-op, and there are other projects that are under way out there. We believe that those are also part of a positive approach on the part of the Government that does not go far enough but as far as it goes it has been productive and it has been worthwhile. We will encourage even greater steps in that area over time.

We are concerned, however, notwithstanding those projects, that the Government has not fulfilled all of its responsibility to low and middle income Manitoba families and to those in need of housing through social housing programs. It is interesting to note that the Minister in his opening remarks did not mention the Ladco deal and he took some offence when he—or he at least tried to correct the record.

Tuesday, December 5, 1989

An Honourable Member: No, I wanted to put it on the record.

Mr. Cowan: Well, he wanted to put on the record what his Government is now calling, or at least what he is now calling, the Ladco deal in their formal presentation. You will note that earlier I asked the Minister for a copy of his written speech and I did that because it is easier to follow. At some times you cannot catch every nuance that the Minister says during his comments but also because sometimes you can see where the Minister differs somewhat in his spoken word than he does in his written word.

I think it is interesting on page 6 of the Minister's written speech he said, "Mr. Chairman," and I quote from the speech, "when our Government announced its intention to jointly develop the Grandin Park south proposal"—that is how he said it here but in his speech that was written it says—"Mr. Chairman," and it is somewhat different, and I will point out the difference, "when our Government announced its intention to jointly develop land with Ladco in south St. Boniface," what that tells me are two things. One is that the wordsmiths have gotten to the Minister and they are saying, look, be careful in how you reference - (Interjection)-

Mr. Chairman: Order, please.

Mr. Cowan: Well, the Member for Fort Rouge (Mr. Carr) says perhaps the Minister did the editing and perhaps he did, but I think even if he did it himself he did it on the basis of advice. What that tells me as well is not only was there a change but that change is because there is a sensitivity to calling this the Ladco deal. There is a sensitivity to calling this the Ladco deal because it is a bad deal, and it is now firmly implanted in the public's mind as the Ladco deal. It is not yet firmly implanted in the public's mind as the Ladco MHRC sweetheart deal, but I believe that will come in time.

When I say it is a sweetheart deal, it is no reflection on the Member personally. It is a reflection on the close working relationship between the Conservatives generally and the Liberals most occasionally, but they are not in power now to test that thesis. The Conservatives, generally with land developers, there is a very close affinity, and we see it exhibit itself in all sorts of ways which I am not going to mention because I do not want to get us off on the wrong track. I do believe that there is very little doubt in anyone's mind that when friendly discussions take place between land developers and political Parties, they are most likely to take place between land developers and Conservatives, and secondly, between land developers and Liberals.

* (1530)

I can tell you our discussions have not been quite as friendly although they have not always been antagonistic.- (interjection)- The Member says that Ladco does not talk to him, the Member for Inkster, the Housing Critic (Mr. Lamoureux), but I recall that when this deal went forward in the first instance his

Leader (Mrs. Carstairs) ran out to call land developer proponents, or he did, and his Leader then repeated what they had received from the land developers with respect to that particular issue. I can tell you that we did not go out and make those same sorts of calls right off the bat, but I want to get back to the comments at hand.

I believe that it is a bad deal economically because of the housing market now, and I think it is a bad deal because it did not provide for any social housing component. We will discuss that in more detail as we go through the review of that particular deal, the Ladco deal, and we will talk about the Ladco MHRC deal quite a bit during these upcoming Estimates.

The Critical Home Repair Program cutback, elimination of, which it was, is another area where we believe the Government has failed in its responsibility with respect to low income and middle income Manitoba families. When we first accused the Government of eliminating that program the Minister gave one of his yes, no, maybe so answers. Yes, we still have the program; no, maybe we do not have; maybe so, we have this other program; and it was a great day of confusion as to whether or not the program actually existed. In the end what was found to be reality was that there is no longer a Critical Home Repair Program of the same nature that there was. It has been replaced by another program. I believe that other program is in some ways not as strong as the Critical Home Repair Program was and in other ways it may be better.

The fact is, the Minister should have had the courage to have just said, yes, we have eliminated the one program, and we have this other program, and you can judge us on our approach to social housing needs and to providing subsidy programs and assistance programs to low and middle income families on the basis of us eliminating the one program, which was very definitely a New Democratic Party program, and putting in place the other program and you compare the two, but he did not do that.

I thought that was wrong of him to do, and I also think it confused people generally with respect to what this Government was going to provide and not provide and for that reason did a disservice to the general public. We have seen that with co-op HomeStart grants, elimination of a portion of that program. There are others that we will want to discuss during the Estimates, but I want to go on to another area now leaving this area by saying basically that we do believe the Government has a large responsibility to provide housing programs and housing policies that ensure adequate, affordable and accessible housing for all Manitobans. We do not believe that they have lived up to those responsibilities generally, and they have a long way to go.

I want to then talk about a couple of special areas. One is with respect to public and private non-profit housing, with co-op housing. I believe the Government has a responsibility to create opportunity for groups to coalesce around the provision of housing needs in their own area whether it be a demographic area, whether it be a geographical area, or whether it be a special interest area, that they have a responsibility to

Tuesday, December 5, 1989

assist people to come together to provide for their own housing where adequate housing and affordable housing and accessible housing does not exist for them.

I think they can do that in a number of ways. One is to provide assistance, and they can provide organizational assistance, and they can provide advocacy or ongoing assistance. Earlier today in the Question Period we asked the Minister if they would provide housing advocates to housing concerns groups and to social groups in the city and outside the city as well. The Minister did not answer that question so we will be repeating that question again during the course of these Estimates, and we will be repeating that suggestion again. It is not a suggestion that comes only out of today's Question Period; it was something that we suggested when we discussed Bill 42 as being a requirement for the effective implementation of that Bill.

We believe that the Bill is a good Bill as far as it goes. We want to make it better. At the same time we think that it needs an educative component and also a support component to ensure that it is used most effectively by those who require its use most. We will be addressing that during the course of these Estimates. We believe the Government has to create opportunity, provide assistance, and we also believe it has to regulate. There are far too many slums—to use the vernacular, the generic term—in the City of Winnipeg and in other areas in this province. For this day and age we should be ashamed that they still exist. As a Member of a Government that has been in power for a number of years, we take some responsibility for that as well. It is not a problem that I lay entirely on the doorstep of the Minister, but it is a problem that requires further action. Bill No. 42 will go some ways toward dealing with it, but there are some other actions that can be taken that we will be suggesting as well, so that is one of the special areas.

The second is with respect to conditions in my own constituency and neighbouring constituencies, that is the problems with northern housing. We know that if there is any group in this province that has probably the least access to affordable, adequate and accessible housing, it is those living in remote northern communities. The problems are well defined. We have no need any longer for any debate or analysis as to what the problems are at the present time.

There are also some well-defined policy changes that have been developed in co-operation and consultation with Northerners. That was one of the main thrusts that we were embarking upon at the time of the defeat of the Government. Perhaps it had taken us too long to reach the stage we had, but we honestly thought we had a bit more time. Not having had that time, we were then prepared to allow the Government, the new Government, to work on the area and to carry on what I thought was some significant momentum that had been built over a number of years which had led us to a point in time where action was imminent and I believe very positive change was possible.

It is a difficult problem because of the different areas that are involved, the different levels of Government, and the philosophical and policy changes that would

be required to make for a good program. I believe the changes are there to be made. I believe we know what we have to do. I believe that action is needed, that we need to turn control over to the local communities. There are several models we can follow.

I believe that we have to provide some support to those communities as they take over control. I believe we should turn the existing housing stock over to individuals and communities in the North. I believe that we need to make some changes in the standards and the building codes and that by working together with Northerners we could today, as we could have almost two years ago, put together a program that could be implemented very quickly if we were able to gain the support of the federal Government. I think we should be working towards that, and we will be recommending that and suggesting that during the course of these Estimates.

A more specific area with respect to northern housing is Lynn Lake. As the Minister knows, Lynn Lake is now in a situation where housing values have plummeted, because the main employer in the community is closing down the mine and the mill. People have saved all their lives to put equity into their houses. That is probably their only form of savings, and they now are going to lose it all.

I believe there are two responses that are required on the part of the Government. I have made this case in the Seniors Estimates, I have made this case now in the Housing Estimates, I have made this case in the House, I have made this case in the Energy and Mines Estimates, and I will continue to make the case. There should be an immediate targeted response to provide some financial support to those who are losing their homeowner's equity as a result of a decision that was taken by a party outside of their control, the LynnGold operation, in the first instance and I think exacerbated by the Government's bumbling negotiations to keep that operation going.

Therefore, I believe the Government has a responsibility to involve itself in that area, for if the operation had kept going there would not be the problem that we have today. I believe that there must be some way to recompense those individuals. I also believe that we need an overall policy that goes beyond Lynn Lake and addresses other single-industry communities with respect to some form of insurance for future occasions and crises of this sort.

I think the Government has taken and is taking the wrong approach with respect to land development. I do not think they are helping the orderly development of the city in a planned and systematic way by their deals with land developers, whether it be the College Green or the Ladco deal. I do not believe that they are providing for the leadership that is required to ensure that land development in the city is based on and responsive to the needs of residents of the city, rather than the needs of land developers. I understand the approach, I understand the philosophical and historical approach on the part of the Conservative Party, but I believe it to be the wrong approach.

Today, earlier in the Question Period, we talked about the crisis proportions that are being reached now

because of the Government's inability to develop housing policies and programs which provide for a stable housing market. We saw figures today that came out from the Manitoba Bureau of Statistics which quotes Statistic Canada figures which show that Manitoba had the largest drop, the largest percentage negative change in the number of housing starts in urban centres from October of 1988 to October of 1989.

In October of 1988 there were 461 starts; in October of 1989 there were 216 starts. That is a decrease of 53.1 percent. Overall, January to October of '88 to January to October of '89, the change has been 31.2 percent. Manitoba ranks ninth lowest out of ten provinces; only Saskatchewan is lower. What that tells me is that the housing policies of this Government are failing.

* (1540)

When we bring this issue to the Minister's attention in the House he quotes figures from 1977 and 1981 when the Lyon administration was in place and then quotes figures from a New Democratic Party administration in a certain portion of that. I think he is being rather selective and somewhat intellectually dishonest when he quotes those statements. I think he was much more honest today in his opening comments when he said, and he talked about an outside party, a third party, builders.

He says, in fact builders consider this a return to more normal times compared to the building boom of 1986 and 1987. There was a building boom in 1986 and 1987. There was a New Democratic Party administration in 1986 and 1987 and there was in fact housing programs that were designed to encourage housing starts in this province.

Now we did not develop those programs because we wanted just to see housing starts take place for statistical analysis. We developed them because every time a house is not constructed in this province, workers lose jobs. As a matter of fact, that is not just me saying that. If you read the Provincial Housing Outlook which was put together for National Housing Outlook, Summer 1989, by Canada Mortgage and Housing Corporation, if you read it, it will say very clearly that there will be a reduction in the construction industry workforce because of poor housing sales. The fact is that when the housing sales go down, construction workers lose their jobs.

The other most recent statistic which we just received is with respect to resales, and what is ironic about it, it is in the Financial Post of December 5. I believe that is today. An article which has the headline, West leads rebound in house sales, and one would think that would be good news for Manitoba, but when you look at the actual figures they do not consider Manitoba or even Saskatchewan for that matter to be part of the West, because we have dropped significantly. As a matter of fact, of the ten provinces we had the seventh poorest record of resales.

What that means to me is that people are not buying older houses, so if you want to sell your house and there is a dynamic that is ongoing at all times in the

housing market and people rely upon the ability to be able to sell their houses, and you cannot sell your house, that is going to affect you negatively as a Manitoba family. That is going to mean that you will have to achieve less than you thought your house was worth, well perhaps even less than you paid for it, if it continues on at the rate that it has, significantly less in the future.

It also means that the policy of the Government that has generally been to try to provide for stable growth is not working and either the Government has to come up with a new policy or come up with a new policy statement which says we will no longer subscribe to the goal or the objective of stable growth in our housing market because that is what is happening. It is not stable; it is de-stabilized. It is reaching crisis proportions.

On August 22, 1989, in the Free Press, a gentleman, Richard Gauthier of CMHC, I think said it as well as it could be said. He said, it has not been a good year in Manitoba for either construction or resales according to market statistics for the first seven months of this year.

The fact is, it has not been a good year. One could almost forgive the Government, not quite, but would be more prone to at least be somewhat sympathetic to the Government if they said, yes, it has not been a good year and here are the policy initiatives that we are bringing forward to ensure that it will be a better year next year.

They have not done that, and what they are relying on I believe is the GST. I think they are relying on an increase in housing sales and resales if the GST is applied to older existing housing. That will create a mini-boom, but that mini-boom will only last until the GST comes into effect. Then there is going to be an even worse crisis, and the destabilization will become even more of a problem at that point in time.

It would almost be better to have a general downturn that then works its way up over a period of time to provide for some stability than this boom for one year or less and then this plummeting where people again who have bought houses at increased prices lose significantly. I believe that the Government should not be relying on the GST to stimulate the housing market because it will be a destabilizing factor over a period of time. I also believe it puts the Government in a dilemma.

How does the Minister of Housing (Mr. Ducharme) go and argue against the GST if his Government is relying upon the GST to take them out of the doldrums that they are in now because they have no policy?

I think that would be something that would concern the Minister of Housing. He would have to be somewhat ambiguous in his arguments because he knows that if he wins the argument then they will not have that housing boom because they do not have the policies in place that could come into effect if the GST did not go into place.

We will also be asking the Minister to provide us with an analysis of the goods and services tax not only with respect to how it may increase sales, but also how it is going to dampen sales over a period of time, how

it is going to take money out the pockets of Manitoba families, and how it is going to take money out of the pockets of those most in need without much sensitivity to their financial status.

The two other special issues that I wanted to talk about are with respect to the federal Government and the Minister's muted criticism of the federal Government. As a matter of fact, it was very targeted and selective criticism of the federal Government with respect to their programs and the reduction, the elimination of the landlord portion of the Residential Rehabilitation Assistance Program.

Certainly one should take some offence to that reduction and we hope that the Minister will use every opportunity to prevail upon the federal Government to have them turn around that decision and to provide for the continuation of that program. We encourage him in those efforts.

What we found difficult about what the Minister said was the absence of any reference to co-op housing, which has been cut back horribly by the federal Government and something we criticized the federal Government for when we were in Government, and yet we do not hear that same sort of criticism coming forward.

We did not hear him criticize the cutbacks in non-profit housing subsidies and housing programs. We did not hear him criticize the total inadequacy and in some instances cutbacks in Native housing both on and off reserve. We did not hear him criticize in many other areas where the federal Government has either cut back programs or failed to implement programs that were needed. Are you indicating I am somewhat pressed for time?

Mr. Chairman: I am told that your time is up at this time. Just take a minute to wrap up.

Mr. Cowan: Mr. Chairperson, we will also be talking as did the Liberal Housing Critic about the shelter allowance and the need for indexing that is probably something that we should have done as a Government. We did not, but that does not mean that we cannot be supportive of this Government in trying to correct some of the areas that we perhaps did not take as positive an action as we should.

That concludes my remarks for this period of time, but there are a number of specific issues which I am certain will get much further detailed review over the course of the next day, week, month, year.

Mr. Chairman: Thank you. We will proceed now to Resolution 1, General Administration. We would invite the Minister's staff to come forward and take a seat at the front.

Under Manitoba practice, the debate on the Minister's salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall now proceed with consideration of the next Resolution.

Item 1, General Administration: Provides executive direction and support services for the operating

programs of the Department. Provides Manitobans with a knowledge of Department programs.

We will proceed to I(b) Executive Support; 1.(b)(1) Salaries, \$268,700—the Member for Inkster.

Mr. Lamoureux: Mr. Chairperson, I would ask the Minister if he could tell us, what type of land bank do we have in terms of size, both inside the City of Winnipeg and outside of the City of Winnipeg?

Mr. Ducharme: First of all, I will give you a breakdown. Parcels of land inventory and land bank, as at February '86, the number of parcels was 93; total acres of 4,289; a book value at \$32,855,398.00.

* (1550)

Mr. Lamoureux: Start over again, if it is okay.

Mr. Ducharme: Do you want what is was when we came in and what it is now, or just want now?

Mr. Lamoureux: Both.

Mr. Ducharme: First of all, when we came into office, or we will use February '86, the number of parcels was 93; total acres 4,289; book value was \$32,855,398.00. As of September 30, parcels of land, 80; total number of acres 2,628; gross was \$28,335,364.00. Provision for loss, which we have now set up in the books, \$16,155,109; book value, \$12,180,255.00. This figure does not include the John Bruce Roadsite of 106 acres, which is now in the—go ahead.

Mr. Lamoureux: Mr. Chairperson, can the Minister state what type of agreements the Minister has entered into other than the Ladco-MHRC deal?

Mr. Ducharme: If you are talking about the land, Brandon Park South is the only one that we have entered into.

Mr. Lamoureux: From '86 to '89, we have lost just under 2,000 acres, is that—

Mr. Ducharme: Yes, the recommendation of the Peat Marwick was, and I can probably give you—there was declared surplus by a Cabinet resolution of the previous administration. There were 25 parcels that had total acres of 1,940, given a book value of \$10 million, that was disposed of, that was declared surplus at that time by the previous administration. We have disposed of seventeen and one-third parcels, a total acreage of 1,404, a book value of \$7,805,493.00.

Mr. Lamoureux: When you say you disposed of it, in what manner would it have been disposed?

Mr. Ducharme: What we usually do is, we will take the appraised values and either someone will come forward offering you an offer—we have been known to list them based on those appraised values, hoping that we would be able to dispose of them over a period of time.

Mr. Chairman: The Member for Inkster. The Honourable Minister.

Mr. Ducharme: There has been mostly—public tender is usually how you dispose of them.

Mr. Lamoureux: Mr. Chairperson, that was actually what I was trying to get at in terms of, is there a public tendering process to the disposing of the lots, and he addressed that in his last comment.

The other thing I wanted to comment on was something that I had made a brief reference to previously. That is the condition of the rental housing market up in Churchill. It appears that the MHRC has acquired or is looking into acquiring or is running—I am not a hundred percent clear on it—the Jack O'Connor block. I am wondering if the Minister can update us in terms of what has happened with that program, keeping in mind from what I understand it had received, or it was a beneficiary of the rural RentalStart Program. If we had to have a write-off or a foreclosure I will let him elaborate on it.

Mr. Ducharme: First of all, let us get the message straight. We do not want to obtain any additional dwellings up in the Churchill area as the Member is probably aware that we control.

I think the official critic of the NDP Opposition, I know what he had to deal with a couple of years ago at open meetings when he had to deal with what is going on in Churchill. I am sure he has some tough knocks that are still showing on his back. However, under these particular circumstances we have taken over the O'Connor block. The takeover was during the period of December 1, 1988, the takeover by MHRC, to March 31. The operating loss experienced by MHRC was \$15,000 or approximately \$3,700 per month. From April 1, 1989, to November 1 the loss to MHRC is \$7,000, or approximately a thousand dollars per month. The amount lost to date is \$22,000.00.

The reference losses are after repayment of the monthly payment. We are required to repay the loan of \$952,000 which is approximately \$7,100 per month.

Mr. Lamoureux: Mr. Chairperson, again to the Minister, the Tundra apartment blocks, from what I understand the federal Government is not going to be renewing that lease. When the federal Government had joined in with the province in building that particular block, they were taking care of the operational costs of that block. Now that they have decided not to renew this lease, I am wondering if the Minister can tell me what type of compensation we are going to be receiving from the federal Government from this.

Mr. Ducharme: Again, I would like to stress to the Member that we do not want to take over any blocks, but that was a contract that was established by the previous administration when the block was built in 1974. I can get the figures of what we will suffer as a result of the loss. Because they are giving it back, we would prefer selling the building. We do not anticipate any large losses at this time.

Mr. Lamoureux: Mr. Chairperson, the Minister has given the impression that he has not sought any type of compensation from the federal Government for not trying to renew this. It comes to my mind that if the federal Government made a commitment to have or to use a block of this nature in Churchill to house federal employees and the Government went in on that assumption, now that the federal Government through the dwindling number of federal employees at Churchill, the federal Government now assumes that we are going to pick up the costs, the loss. No doubt there will be a loss when it comes time to sell this block. Has the Minister had any contact whatsoever with the Department of Works?

Mr. Ducharme: Under the agreement of '74 as it was set up, we are compelled to take over the building at their wish, and at that price of a dollar. We are hoping that we can sell it. By purchasing it for a dollar, whatever we can sell it for would of course substantiate any losses that we might incur in the mid term, but the building as anticipated would be worth—how much?

What we will do is at the time we will examine when we do have to take over this particular building, if that is the case, we would examine our operating costs and compare that and see what we can do at that time, but I have to reinforce the position that it is something that was put in our hands. It was a contract that was designed earlier, as I say, in 1974. At the time Churchill probably was flourishing. I am not going to sit here and knock the previous administration for entering into an agreement that lasted almost 20 years. However, at this time we will examine the operating costs. What I am saying is, our whole idea is to dispose of the building.

Mr. Lamoureux: Mr. Chairperson, can the Minister answer how many non-profit housing units are currently in Churchill, and if they are all managed through the Churchill Housing Authority?

Mr. Ducharme: I can say roughly that there are somewhere between 220 and 250 that are operated under the Churchill.

Mr. Lamoureux: Does the Minister have any idea in terms of how many private units there are, just an approximate figure?

Mr. Ducharme: There might be a hundred private. We definitely control the market in Churchill.

Mr. Lamoureux: As the Minister says, you are quite correct, we definitely control the market in Churchill.

I am wondering if we have any idea in terms of the percentage vacancy rate compared between the private sector in Churchill and our vacancy rate in Churchill at this time.

Mr. Ducharme: The O'Connor block that you asked about is 90 percent full. We have mothballed some of our units. I cannot tell you what the private sector is up there. I can get you the details; I will try to get them for you for the next sitting.

Mr. Lamoureux: Mr. Chairperson, the Minister says that we have mothballed some of our units, and I think we can really start to build up a strong case in terms that the chances of our being able to sell the O'Connor block or any particular, the Tundra block, out to private enterprise might not be at its best opportunity at this point, that in fact we would be losing a considerable amount of taxpayers' money. With this in mind, does he not feel that there is some obligation whatsoever because the numbers of federal employees have been a contributing factor to this? Maybe the Minister can answer in terms of, what type of federal employees have we been losing up in Churchill? Are they teachers? Are they environmentalists? Does he have any idea?

* (1600)

Mr. Ducharme: No, I have no idea what type of people we have been losing out of there. All I know is, to accommodate subsidized housing was the original intent. However, we have been approached by hospitals, et cetera, to accommodate other than so that we could utilize some of our existing units.

However, you have to remember the reason why you mothballed, you are comparing some units that would probably be more costly to operate than, say, the one that we might be selling. You have some of these units that are very, very expensive to heat the way they are constructed, where it would cost us more probably to rent them out and the amount—well, it costs us more to operate than the rent we get back. The private sector could maybe operate at the Tundra Building that you are talking about and not be interfered by our units.

Mr. Lamoureux: Mr. Chairperson, just to move on to another area. We have—

An Honourable Member: Just before you do, may I ask—

Mr. Chairman: The Member for Churchill.

Mr. Cowan: To sort of tidy up the Churchill issue, if the Member for Inkster would allow me to ask a couple of questions, I thank him for his interest in the Churchill situation. I am not saying this in a negative sense, I can be overly critical of some of the questions because they do demonstrate a lack of awareness of some of the historical problems that have resulted in Churchill from the way in which that housing market was structured, because it is a very complex area. I am not certain after all of my involvement and study in the area that I fully understand the dynamics of that housing market.

I can tell the Member for Inkster (Lamoureux) and others as well that the situation we have in Churchill now is as much historical as it is circumstantial. One has to realize that and acknowledge that fact in order to try to develop housing policy and programs that really have the long-term desired effect, that meet the longer-term objectives. The Minister indicated I still probably have some scars or bruises on my back to show from the many meetings I have held in that community trying to deal with a restructuring of that

housing market to meet some long-term objectives. I can tell him they are on my back, they are on my face, they are all over my body. I have been thoroughly beaten up in between, during, after, and before elections over the issues in Churchill with respect to housing.

Having gone through all of that, I think it is important to develop a long-term policy and stay the course, because the situation changes so rapidly there. One year they are demonstrating in the centre of the community because they cannot obtain housing, because there just is no housing available. The threats are that they are going to be living in tents, which was an actual threat back several years ago.

The next year or series of years it may well be that they are demonstrating because there are so many vacancies in the community and they feel there is an unfair allocation of the buildings, an unfair allocation of the rents, an unfair allocation of the costs, unfair taxpayers' subsidies there. That takes us back to why that sort of situation, which is probably unique to that community, or at least the extremes are unique to that community, exists today.

(Mr. Darren Praznik, Acting Chairman, in the Chair)

It all comes out of the redevelopment of the community back in the 70s. One has to understand why redevelopment took place in that way. At that time the base was being the disbanded, was leaving, and there was a requirement for housing in the community that was very urgent. The federal Government along with the provincial Government, and this is why we had the agreement with respect to the Tundra building, went in and said, we have to do something in this community that we do not generally do in other communities. I do not know of too many other examples where it is done. We have to establish housing stock immediately where it now does not exist. There was housing stock that was not adequate, they had to build new housing stock.

The Governments, federal and provincial, involved themselves in a very large way in establishing the housing stock in that community. When they did that they skewed the market. I am one who will very strongly argue through these Estimates that we are not doing enough in social housing and will very strongly argue for more social housing and more Government involvement in housing. I do believe there is a point in time, given the capitalist society in which we operate generally and the lack of leverage that Government has in some instances where you can skew the market by too much Government involvement. That is what happened in Churchill.

The objectives of our Government were to try to get back to a mix of private sector and public sector housing in Churchill. That is why we agreed to raise the rents, which was a very difficult decision both politically and philosophically, and received quite a bit of criticism. That is why we agreed to encourage the development of private sector housing in the community, not only through the development of an apartment block, which I believe in the long term will benefit that community, but also through the development of a Homeowner's Equity Protection Program and the establishment of programs to help individuals buy their own houses. I

have some questions, very brief general questions, on that in a little bit of time.

That is why we entered into the agreements with the federal Government that now 20 years later may seem to be somewhat ill-conceived, but did in fact serve that community in a very immediate need when the urgency for that program was required, and has served the community over a number of years.

I wanted to give that historical background, not only for the Member for Inkster (Mr. Lamoureux), but also to recommend to the Minister that we grappled with this problem as a Government to try to develop some longer-term objectives which caused us some extreme short-term pain. I would hope they would continue on with the development of a longer-term approach although there may be complaints from time to time about the specific actions that are required to move us through a conundrum and through a circumstance that is no longer historically correct to one which is more in tune with the needs of the community today.

* (1610)

I can offer him my support as the MLA for however long I will be MLA of the Churchill constituency. I can offer my support in making some of those tough decisions and taking some of those difficult actions as long as I believe or can be convinced they are in the longer-term interests of stabilizing that market in that community, because of the fact that it has never been a consistent market in the past, has created so much hardship for individuals there. There is some short-term pain that must be experienced in order to meet the longer-term goals.

I want to encourage him in that regard. I would ask him two questions though. He indicated that they are prepared to dispose of the Tundra block. I assume they would also be prepared to dispose of any housing. I would ask him if that goes as far as disposing of some of the public sector housing that was built there, the duplexes and the different buildings, because that question has come up in the past. It was a policy issue which we were grappling with, and I do not think we ever came to a conclusion although I thought we were beginning to move down certain paths.

The second question I would ask him is, does the Homeowner's Equity Protection Program still exist? I believe it does, because I have had discussions with respect to it. If it does, have there been any changes in it over the recent months, say within the past year?

Mr. Ducharme: First of all I can share notes with the Member for Churchill (Mr. Cowan) that unfortunately there are short-term solutions which have to be done, and I as Minister did answer that. We understood things were tough in Churchill. I know the Member is quite aware that when it came down when I did go up to Churchill we looked at the situation and suggested at the time that 10 percent reduction in the rents was—we had to look at something when we sat down with the people.

I guess the long term is the discussions with CMHC to try to come up with selling these homes to the

individuals. This was discussed. As you probably appreciate, CMHC does have control of what we do with them, other than us having to go back and pay back all of the CMHC monies.

As he knows, if some of the people operated some of these units, even if they got them for almost nil, would pay more than what they would in rent by just operating them for heat and light and what have you. In some cases they do not want to buy them because of those conditions. I think you were faced with that earlier.

On your other one, the Homeowner's Equity, maybe I can give you some, I am aware the program is still active, but I want to know in what numbers—okay, we have made one new commitment this fiscal year.

Mr. Cowan: The program unfortunately has never had a very high intake, and I think there were some problems as well in the early implementation of the previous administration which were not the fault of any individuals or the Government, but were there because it was an innovative program and needed some fleshing out. I think there had been some bumps every once in a while in the program. I still think we should have it in place to give it a try to see if that sort of innovative approach can work. I would ask the Minister if he can use just a couple of minutes to explain how that program works, the criteria, and what protection it offers to homeowners in the community.

Mr. Ducharme: I was just trying to find out what the rate would be. Apparently, we guarantee the mortgage loan for those who cannot obtain the mortgages. I think whatever the bank rate is, we will guarantee the mortgage.

Mr. Cowan: So if a homeowner were to buy a home and for some reason the town were to suffer even more of an economic blow than it has over the past little while because of retrenchments in shipping and from the federal Government or other reduced economic activities, and they would have to lose that home and there would be no market value, how would the program kick in then? What would come back to the homeowner?

Mr. Ducharme: We would have to take over the home or the mortgage.

Mr. Cowan: Would there be any compensation to the homeowner for loss equity?

Mr. Ducharme: It depends. If you are taking over the mortgage, then there would be none because you would not pay back the difference between that and the down payment. You would follow a normal mortgage procedure. What I am saying is we have not had to face giving back any equity that they have had in their house.

Mr. Cowan: Would there be that potential to do so under the program as it now exists if, in a hypothetical case, one were—

Mr. Ducharme: Hypothetical, yes. The program has not changed. It is the same program.

Tuesday, December 5, 1989

Mr. Cowan: What would be the guidelines for the return of any equity if that was thought to be appropriate?

Mr. Ducharme: What I will do is go back and get you the guidelines that were applicable under your program.

Mr. Cowan: My last point then is to wish the Minister more luck than we experienced with respect to trying to sort out the market problems in Churchill, and to once again assure him of our support with respect to programs that we think have a longer-term effect and positive effect in the community, and to indicate to the Liberal Housing Critic that some of these issues are extremely complex and can get very confused in the public's mind if one just looks at the situation as it exists today without the benefit of understanding the historical circumstance that led us to what is happening today.

Criticisms, while helpful and in the constructive sense, are important. One should be careful so as not to confuse the general public perception of some very good programs that did in fact serve a purpose that may be outdated now or may require change now by criticism that is not founded on a historical basis, as well as a snapshot of what particular action may be taken on any given day. It is a very complex area.

Mr. Lamoureux: Mr. Acting Chairperson, before you move onto the housing market, I did want one quick question regarding the so-called three-year housing social plan. This year you are estimating once again 900 units. Last year you had estimated 900 units. Do you have a total for last year, what it actually was, and what it would be in the next year?

Mr. Ducharme: You are talking about actual, right?

Mr. Lamoureux: Yes.

Mr. Ducharme: To the member, 850 units of the 900 anticipated.

Mr. Lamoureux: Mr. Acting Chairperson, it says that it is a three-year social housing plan. Is it 900 for the following year, or is this just the target goal that you aim for every year?

Mr. Ducharme: The program breakdown that we have for '89-91 three-year plan and basically '89, including RNH, 965; 1990, 927; 1991 is 925. I must say to the Member the reason why you would have maybe 850, the dollar value would stay the same except you have built some units at a higher cost factor so the dollar value would stay there.

Mr. Lamoureux: Mr. Acting Chairperson, that virtually answers the question I was trying to get at. Moving onto the housing starts, the Minister in his opening remarks made reference to 1990 that we were looking at 4,000 housing starts in the province. I am wondering if he maybe can explain the increase. Has he taken into account the GST? Is that the reason why we are getting this increase?

Mr. Ducharme: First of all, let us get it on the record, if you want to start comparing GST, our Government

has already mentioned for the record that we are not for GST. The only updates that I have—and as you know the original GST, and in consultation with the Canadian Homebuilders Association, we have used their stats that they have brought up on the costs, et cetera, but that was based on the original percent that was talked about dealing mainly and only with new construction costs.

Now that someone has come up with an announcement last week of 5 percent on used and 5 percent on new then of course everybody is scrambling around in different realms.

Now the new home builders are probably out there gleefully maybe congratulating themselves because probably if you base it on the percentage that is there now on building products, based on the building products part of the house and not the labour, that they are probably going to maybe have a decrease. However, if you base it on a new construction cost or the old then of course now the Winnipeg Real Estate Board is saying that now they are arguing that it should not be applicable to used homes. We as a Government are against it totally and that is where we are coming from.

Mr. Lamoureux: Mr. Acting Chairperson, does the department do its own housing market analysis, and if so what are they basing the 4,000 housing starts next year on?

Mr. Ducharme: We have done some building starts based on our own stats and I will give you some. There were 5,500 units started in 1988 and 8,100 in 1987. Starts are expected to recover slightly in 1990 to 4,400 and I openly admit this would still be 19 percent below the 1988 level. We feel that this is based on you taking your stats of Manitoba births, the out migration, these types of things, the oversupply of houses that are already built. We try to take in all these stats and use our own stats that we have developed from our department.

* (1620)

Mr. Lamoureux: Does the department have an estimate in terms of housing starts for 1990?

Mr. Ducharme: We figured it might be in 1990 that it might recover. We have said 1990 would be 4,400. We have not used the GST in our figures.

Mr. Lamoureux: Mr. Acting Chairperson, the Minister says himself that they have not used the GST into the figures. I would suggest that the GST will have a major impact on housing starts. I would go a bit further by saying that as the year goes on you will see housing starts in 1990 pick up more so before the end of that year and that we are likely looking at a slow start for 1991 because most people will want to beat the GST.

My question is, does the Minister concur with me on that thought?

Mr. Ducharme: No, I do not. I cannot concur with you because I do not know where you got your facts. First

of all, you do not know how many houses of the used houses will fill that gap also in 1990. There is quite a supply.

First of all, do you know how many houses there are ready right now in the stock of existing home builders that are already built? We do not know how many of those will be gathered up as a result, if the GST comes in. Also the used homes, we do not know what gap we filled up then, how many people will now decide that under the GST, if that is the case, they might unload their used homes. I have not got those stats and I do not think anybody has those stats to tell you whether, first of all, the used homes, how many of those will now come on the market in the spring or once GST is announced or people who now might be buying up or buying down.

Remember, in Manitoba most of your real estate is not because we have had a heavy migration of people coming in, even in the boom years of people buying houses there was basically a shift in the age population. Most realtors will tell you that. If you take your baby boomers from '46 to '61, like the NDP Critic, and imagine he falls into that state and he probably bought a house in the last couple of years, you will find that was the shift in the population that was mainly buying these houses.

I am not saying you might not be right, but what I am saying is I cannot agree your predictions are going to come true. I have no basis for believing you, because we do not know what is going to happen with those used homes and the supply. I wish I could predict the market, I think if we knew that the used homes were going to really increase, maybe I would get out of this job and go back to my previous role and sell some houses.

Mr. Lamoureux: Mr. Acting Chairman, when you talk to different organizations and different people and they give you the impression the GST will have an effect on housing starts you tend to believe it after you have been told by a larger number of what I would classify as people in that field who are doing the selling and building of these particular homes. I get the impression the Minister of Housing (Mr. Ducharme) is really saying the impact of the GST will not affect housing starts.

Mr. Ducharme: What I am saying is, we do not know what the oversupply is now. Remember in Toronto or B.C., where your housing market and your vacancy rate is very low, of course you are going to have a drastic effect with the GST if it comes in for the start-up of new houses. Right now I do not even know as the Minister what the supply of used homes is and what the supply of the new homes is out there right now. I guess until we eat those supplies up, then I guess if you did have the GST and we are talking hypothetical, GST that both affects used homes and new homes, well, then you will be able to answer that. We do not even know now what kind of a tax they are going to bring in, is it going to affect used homes, is it going to affect new homes, is it going to affect new homes only to a drastic percentage, or is it going to be across-the-board 5 percent on everybody's house?

Mr. Lamoureux: Mr. Acting Chairman, the Minister puts forward some very good questions. My suggestion to

the Minister would be that he should be trying to seek some answers. If we do receive the GST he should be prepared to be able to answer questions of this nature. I do not find, maybe I should put it in a very simple term in saying, will the GST, if implemented, affect housing starts in the province next year?

Mr. Ducharme: First of all, I will stay with those answers I gave you. You might feel like you should be doing something else, but if you take a look at the book provided by the Canadian Real Estate Association and the Canadian Builders Association doing all the work on the original intent of whatever the tax was going to be, the original intent was just to tax new homes until the federal Government determines what amount they are going to tax so you can see what it affects.

If all of a sudden they are going to drop the idea of having 5 percent on used homes, what is the use of going to that research to figure what it is going to do to affect used homes? We worked quite closely, right back to 1988 when we first talked about the GST. We worked with the Canadian Home Builders Association. They did visit us and made an appearance, not at our First Ministers' Conference. However, they did meet with us the same day, because we do not allow people to make presentations to the First Ministers' Conference, but we met with them. They gave us their concerns and they said we are gathering information that will be necessary to argue the GST on new homes.

(Mr. Chairman in the Chair)

* (1630)

I understand that Finance is gathering information as we funnel it through our Finance Department, and we funnel it through the Canadian stats, and also I am sure not just the newspaper ads that the Winnipeg Real Estate Board or the Manitoba Real Estate Board is now advertising, I am sure that the Canadian Real Estate Association which I am a member of, are gathering stats to see how it affects and I would believe that a lot of their stats are going to be very, very good, because they do usually provide very good stats to see what the effect would be on the 5 percent across-the-board on used homes.

Mr. Lamoureux: Mr. Chairman, has the Department of Housing done any analysis of the GST?

Mr. Ducharme: What we have been doing is gathering the information and talking to the Department of Finance, that is basically what we use. We were told originally that Canadian Homebuilders would do it on the original tax. They did quite a proposal. I have no problems even releasing that information to the Members as long as I get the book back. After we are finished maybe I could supply the Members with the book. The heading they started was, "War Declared on Home Buyers".

They went to a lot of work. I did meet with the president when he was in town, over and above meeting with the members from the house builders. They are providing a lot of information. However, this book was based on the first tax that was suggested. Now I imagine

they are doing research, I know they are, based on the second set of taxes. I feel when we get their information we will study theirs and work along with them, along with the Department of Finance to determine the effects whatever the amount is, whatever percentages of GST on new homes, and then we will have to do it on old homes, used homes.

Mr. Lamoureux: Mr. Chairman, I would like to move over to the Ladco-MHRC deal.

Mr. Cowan: The Minister referenced two analyses, one done by the Canadian Real Estate Board I believe and the other by the Canadian Home Builders' Association. I appreciate the offer of making at least one and hopefully both of those available. They would be helpful to us in review of our Estimates again on Thursday. I wonder if we could make copies of them and they could be dropped off at our caucus office.

Mr. Ducharme: I will get copies, we can run copies off.

Mr. Cowan: If we could have that tomorrow that would be helpful.

Mr. Ducharme: That will only be the Home Builders one, as you can probably appreciate it has been a short time since they announced the 5 percent on the used homes.

Mr. Cowan: During the course of discussion the Minister indicated they expect I believe 4,400 starts in the upcoming year, new housing starts. I would ask him on what criteria—actually let me start at a different point and move to there. Let me rephrase the question.

We know we are in a slump now, everybody says we are in a slump. I would ask the Minister if he could indicate what are the reasons, the factors, that are creating that sluggish housing market in Manitoba, and then reference it back to GST and the impact in a moment.

Mr. Ducharme: I think basically we talk to the home builders. People that are there seem to be in the know. It is the oversupply that is out there, the oversupply of the units that are built. Probably the other big factor is the very varied availability of land to develop quickly. There is lots of land already developed unlike other areas like in B.C. and Ontario where they really have a problem getting developed land. If you talk to the builders, or a lot of builders who went into the industry who were probably building 10 homes and boosted automatically in one year up to 60-70, and there is quite a supply. If you ask us what we have taken, we have taken the below 10-year average and that is what we have used.

Mr. Cowan: There are some other factors which might be a cause as well and I appreciate the fact that the Minister has referenced the factors which he believes have created a sluggish housing market from the perspective of the housing industry. I question whether or not the availability of land that could be quickly

developed can be a factor with respect to the sluggishness of the housing market. I think it would be the other way around, but perhaps I am missing something there.

With respect to oversupply, I would like to break that down a bit further. Why would there would be an oversupply at the present time given that historically the trend line, notwithstanding the boom years of '86 and '87, is fairly stable? This year we are well below that trend line.

Mr. Ducharme: First of all, I think you also had another factor in '86-87. You had a vacancy rate that was not like our accommodation of rental that was in '86-87. You also had, as I mentioned earlier, people coming in, if you look at the first-time buyers that came available, which indicates a shift in population, first-time buyers in specific areas that came forward.

A lot of the land that became available, and I am talking about developable land that came available, was land that was determined by city developing the urban limit line, and said, okay, here is where you can develop. It did establish quadrants in the city that were not available before. You now had the southeast portion of the city which developed very, very quickly, and the reasons for that was because there was economical land to develop. Of all the land in the City of Winnipeg, the southeast quadrant is still the cheapest land to develop, and that is because of the existing structures that are in the ground, that is because the land drainage to the rivers. It is a different section to develop and you did have, I feel, I still say, and I know the Member is not going to agree with me, I wish he had—he tells me now the philosophy that they would not have developed their site at what we know as John Bruce. I know that he did have some recommendations and he did have some figures and he did have an almost signed agreement to develop that. I only wish he would have developed it.

I, as Minister, would not be getting chastised now. I wished you people would have taken advantage of your boom that you want to brag about in '86 and '87, and developed it and got rid of the lots. Then we would have had a profit back into MHRC. However, the Member, and I can understand, he has his philosophy. He still tells me to this day that we would have never developed that. We would have not gone into any joint proposals and that is where he and I differ. I have no misgivings about going into a development that will develop \$9 million net profit. I only wish I could have had the years that he was there, and I had sold them and sold them quickly. It is too bad that they did not take advantage of that.

Mr. Cowan: I am going to try to refocus the question again. CMHC does provincial housing outlooks. I am wondering if the Minister considers those housing outlooks to be fairly accurate in their analysis, in their indication, on a historical basis of the situation in housing markets on a province-by-province basis.

Mr. Ducharme: If you look through CMHC's proposals and what they have, they have usually been on the low

Tuesday, December 5, 1989

side, and that goes through your five-year cycles and your 10-year cycle. That is the information that we have been given, that I am to believe that they have usually been on the low side.

Mr. Cowan: It is interesting, because CMHC, in their summer outlook, "National Housing Outlook, Summer 1989," which is the most recent one, talks about the market this year and then talks about the market in the next year, and what is really quite interesting is they are bang on with the Minister with respect to the analysis of 4,400 new housing starts, a 19 percent increase. It would lead me to believe that he cannot be too critical, at least in the present year, of their analysis if they are coming up with the same figures. Would that not be the case, or is he too low in his analysis?

* (1640)

Mr. Ducharme: Are they using the GST, did they say that they are using the GST in theirs, because ours was used a long time before there was any mention of using the GST for 1990? I am saying we can again get into the philosophy of who is proposing. It would be great if we could go back, and I often say that it would be nice to go back and drive down St. Anne's Rd., or St. Mary's Rd., with my father years ago, and predicted that St. Mary's and Dakota, all throughout the city was going to develop. My father sold lots, bought lots from the City of St. Vital for \$50 apiece. It would have been great to be a great projector of what was going to happen. I am saying that I have a staff that has supplied to this Minister what they feel the housing projections should be for Manitoba. I guess the only ones that will know if we have the privilege of coming back to this same table during Estimates a year from now, or whenever it be, that you will be able to say I told you so. I hope that you can say to me, see, you should have known there would be 5,000 or 6,000 starts. I will assure you, that with the competition out there right now with the builders, and the availability of lots, we would have no problems accommodating 5,000 to 6,000 additional homes on the market for 1990.

Mr. Cowan: The dilemma that confronts the Minister is that CMHC is wrong, he is wrong, because they have both agreed on the numbers, but let us hope, for the sake of the housing industry, generally, and the provincial housing industry, generally, that they are both underestimating.

Mr. Ducharme: I can assure the Member I have never read the information he has, I can assure him that it is coincidental that they are the same. Maybe ours is a little more conservative figure for 1990.

Mr. Cowan: It concerns me that the critic has read the information and the Minister has not, however—

Mr. Ducharme: I can assure the Member that I have probably read other information. I am going to give him a book that he did not read either, however, and I am not proposing that I read every information on any housing or housing starts, because you know as well as I do there are lots of figures out there.

Mr. Cowan: Well, if the Minister has not read it, let me take him through it just briefly. It says that the sluggish—and that is their terminology—housing market in Manitoba for the first half of 1989 was due to slow economic growth, was due to out-migration, and was due to high interest rates, which is a somewhat different analysis than we had from the Minister, who said it was due to oversupply, and due to the availability of land that could be quickly developed. Quite frankly, when I, from a logical perspective, from my layperson's perspective, put the Minister's reasons side by side with CMHC's reasons, I tend to gravitate towards CMHC's reasons, not because they are critical of the economic development of the province over the past year or first half of 1989, but because I believe they are reflective of actual circumstances.

There has been out-migration, and there has been high interest rates, and there has been slow economic growth, and the fact is that the oversupply is not so much because there were a lot of houses built in '86 and '87. The oversupply is because there are not enough people wanting to buy new houses for one reason or another, and the reason they do not want to buy new houses, because most people would like to own their own house if they could, is that they cannot afford it, which is as a result of slow economic growth. They are unemployed or they are not having wage increases that allow them to buy new houses, or it is costing them too much to live, or they are not here. They are in another province, in which case they are not going to buy a house here, in fact the out-migration has increased over the past little while, and high interest rates, of course, are an affordability factor.

They also go on to say why they believe there will be 4,400 new units in the coming year. They say that they believe that there is going to be a rebound in real agricultural output of almost 20 percent in 1989, and I will look to the Liberal Agricultural Critic, who is much more well-versed in these areas than I am, and ask him, are we going to see a 20 percent real agricultural output increase in 1989? In 1989, in the present year—in the area—are we close? Ten to 15, which is half, half or three-quarters, which is an important point.

They say we are going to have 4,400 units because of that. Also, and here is the GST, they believe that stage one of tax reform, that is their terminology for it, although one could argue, and I think even the Minister would argue, that it is tax reform, but stage one of tax reform will bring healthy growth and consumer spending in 1989, but more restrictive fiscal policy will dampen the increase in 1990. I think that is a pseudonym for the GST and what the Member for Inkster (Mr. Lamoureux) has been suggesting, and others have been suggesting will happen is people are going to try and beat that tax. They are going to try and beat that horrendous tax, not tax reform, and they are going to try and buy, and then it is going to dampen as soon as it comes into effect.

They also say that investment spending for non-residential construction, and for machinery and equipment will be stronger in both years, buoyed by a large Limestone Hydro project. In fact, hopefully we will see Conawapa, so that part of it may come true.

They mentioned another major economic factor as being Repap, the recent purchase of Manfor. They will invest \$200 million in the beginning of 1989 and over the next five years an additional \$800 million will be spent to construct a second pulp mill that will bring 350 to 400 new permanent jobs to the community. Well, we know the agricultural spending was not up to what they thought it would be and we also know Repap's impact will not be what they suggested it will be, so that will be slower economic growth as a result of that.

They give another reason. Stable prices have helped sustain the mining industry, and this is expected to continue for the next 18 months. Well, this was written obviously before we had three mining closures in this province in the last little while. It looks like some of the other mines are going to be in some difficulty, or at least expected mines will not start up. So they are wrong on that account. They indicate that the construction industry has been severely affected by a low level of housing starts which is a spiral effect which means it is going to spiral downward rather than upward unless these other economic indicators come into place.

What they are saying basically is that—and they also believe that out-migration will be lower in 1990 than in 1988, not by much but by enough to be a factor. So what they are saying is these economic indicators suggest we are going to have a level of economic activity that will allow for 4,400 houses and new starts. They also indicate the GST is a factor in that, but what we are seeing is the economic forecast not coming to pass. So we may in fact even see lower housing starts yesterday if in fact the Minister accepts CMHC's analysis. I had asked the Minister if he finds fault with the logic they have put forward, and if so, how so?

Mr. Ducharme: First of all, let us get the record straight. If the figures that I have given by my department suggesting, and as I mentioned some of the out-migration versus some of the growth in other years, the demand, the oversupply of serviced lots, the strong competition amongst builders, the competition in the resale market, we know all this will affect and when he mentions have you read the CMHC report. The information I am given is there are certain things that will affect.

However, what would the Member say then if all of a sudden he did not have the GST? What would he do with the figures of CMHC when you take a look at some of the CMHC long-term figures that show a gradual decrease in Canada in housing starts over a long term. I am saying to the Member, I hope we get back to the figures of—not because I want the GST, but I hope we get back to the figures of 1978 when there were 10,234 homes built.

I would hate to predict the amount that are being built simply because, as I mentioned to the Liberal Critic, there is going to be a difference now that is going to be focused on what comes available from the used market. If that is the case, if they are going to now apply a tax to the used market it could throw out all figures that people have. The figures that I have, I would throw them out.

If all of a sudden you had a certain market supply that was going to be there anyway and all of a sudden

those people got out of the housing, they might be people in their 50s who decide, well, I am going to get out of the housing market; I am now going to go into apartments; in Manitoba we have a high vacancy rate maybe this will be a time to get out of my house because maybe there might be a blip in the market that all of a sudden changes the prices of the houses in Winnipeg.

I do not know who can predict that. That cannot be addressed because we do not know what those people will do under the scenario of a GST coming in 1990, and I am talking about the used market.

* (1650)

Mr. Cowan: It is so coincidental today that I just happen to be reading through the report as we were discussing things and some of the wording sounded very familiar. It says here, an oversupply of serviced lots, strong competition among builders and competition in the resale market will all keep new house price increases low. It sounds as if the Minister was almost reading from the document he has never seen. As a matter of fact, I am going to have to go back to Hansard to see if it is not an exact translation.

Mr. Chairman: The Honourable Minister, on a point of order.

Mr. Ducharme: I am reading from a document that is dated November 29, 1989, given to me by my staff. I said to you I have never read the CMHC docket that you have.

Mr. Chairman: A dispute over the facts is not a point of order. The Member for Churchill.

Mr. Cowan: I accept the Minister at his word. I assume he has never read the document. The point I am trying to make is, some of the reasoning is very coincidental, and I am certain his staff has read the document, and some of that is being filtered through to him by way of briefing notes, as well it should. He would not have good staff if they were not reading the documents and filtering that information through to him, but it does tend to support the other part of my case, that you cannot cherry pick the reasons that benefit you or please you and ignore the others. However, my question, my last question, because I want to get back to the Member for Inkster (Mr. Lamoureux), and I thank him for his accommodation here, and I do not want to take advantage of it.

We are going to have a GST. The question is whether it is going to be 9, 8, or 7 percent on new housing, or whether it is going to be five and five. Certainly we want the Minister to go to Ottawa to fight any GST, but there should always be a fall-back position. Given his druthers, given the fact there is going to be one, what would he rather have, the five and five, or the 9, 8, or 7 on new?

Mr. Ducharme: I will not support any.

Mr. Cowan: You are going to have to argue for one over the other. It is nice to take the philosophical or rhetorical stand that you will not support any, but that is an approach limited to the Opposition. I am sorry, you now have the responsibility of Government, and part of that responsibility is to go to the federal Government, and say to them, yes, our first approach is none, but given the fact you are going to put it in we would prefer to see a five and five, or whatever the percentage may be, in other words, a GST on new and existing housing or just a larger GST on all goods but not existing housing.

That is going to be your dilemma, that is going to be your conundrum, that is going to be your difficult decision, and I would like to know, as a homeowner and as a taxpayer and as a Member of the Legislature, what my Minister, the Minister of Housing (Mr. Ducharme) is going to be recommending when it comes to the crunch, push comes to shove, and he finds himself between a rock and a hard place, a place where Ministers frequently find themselves. How is he going to respond then?

Mr. Ducharme: When I get to that hard place and when they do decide what tax, well then I will fight it.

Mr. Lamoureux: I would like to get right to the Ladco and MHRC deal at this point in time. I am wondering if the Minister can tell me if the agreement or the proposal call had a deadline set to it.

Mr. Ducharme: The proposal we sent forward to the Home Builders Association of Manitoba, we did mention in a letter, we mentioned the end of August in that correspondence.

Mr. Lamoureux: The Minister says the end of August was the time line, and I can appreciate that and I am actually glad to hear there was a deadline for submission. I believe all tenders of this nature, even though I do not agree with the manner in which it was put to tender, but they should have a deadline, and I concur with that. My next question would be, were there submissions after that deadline?

Mr. Ducharme: The letter that went out from Manitoba Home Builders' submission was June 30, 1988, mentioning submissions deadline, but there were no new submissions submitted after that deadline.

Mr. Lamoureux: Mr. Chairperson, this is where I find it gets a bit complicated. If the Minister issued, through the Home Builders Association, a proposal call in June and had a deadline of the end of August—and he is nodding his head confirming this again—Ladco had purchased a piece of property that joins the two, MHRC's land and Ladco's land. I find that the development of these two parcels of property would have gone a lot further if that third piece would have been there at the beginning. I am asking the Minister: was Ladco given the opportunity to resubmit?

Mr. Ducharme: Definitely not. Their proposal was one of the first proposals in. Ladco, under an agreement

with the City of Winnipeg, could have developed their land on their own, coming across from Ward Avenue. As a matter of fact, the agreement that was written up was when I was on City Council so I was aware that they could develop this land on their own. They would buy this property regardless of whether they were going into a joint venture with MHRC or not. They could have done that on their own, there was no commitment that they could not buy that land and proceed under their own through Warde Avenue extension. They had that right, that agreement was already approved by the City of Winnipeg.

Mr. Lamoureux: So no resubmissions, no additions took place at the end of August. Maybe I can ask the Minister: was he aware, or was the department aware of the fact that Ladco had acquired this property?

Mr. Ducharme: What date are you talking about, when we were aware?

Mr. Lamoureux: That would be the question, when was the department aware that Ladco had purchased the property?

Mr. Ducharme: During our discussions with them on the agreement we were not aware of them purchasing this property until after when we came forward and an agreement in principle was signed they made us aware that they had purchased this property.

Mr. Lamoureux: When was the agreement signed in principle?

Mr. Ducharme: You want to know when the agreement was signed? The agreement was signed May 11, 1989.

Mr. Lamoureux: I am looking for when the agreement was signed in principle. Mr. Chairperson, what I am trying to get at is the Minister had stated he did not know that the land was acquired by Ladco until after the agreement in principle was signed. What I would like to try to establish is when that point was.

Mr. Ducharme: We found out about the purchase of the land sometime after the end of December. How we discovered it was when we were drafting the agreement they told us that they had purchased this property. We did an approval sometime in December in principle. Because you remember, you have to draft the agreement. We did have a proposal, and you have to draft the agreement when saying to the Members that when we started drafting the agreement it was told to us that they purchased this particular property.

Mr. Lamoureux: Mr. Chairperson, maybe I will just move onto another area and then we will continue on that tomorrow. How many lots are being built or planned to be serviced on that lot, on that deal?

Mr. Ducharme: Approximately 1,500.

Mr. Lamoureux: I would ask then, over between now and Thursday that the Minister may begin review some of his statements. Now we have approximately 1,500,

and I appreciate the answer of 1,500. I believe earlier in one of his comments that had made reference to it being over 2,000. If we look at the press release itself, and it is dated May 25, we had 1,900.

Mr. Ducharme: You have to distinguish between units and lots. You can have more than one house per lot. So you can talk units, you can talk lots.

* (1700)

Mr. Chairperson: The hour being 5 p.m., it is now time for Private Members' Hour. The committee rise.

SUPPLY—ENVIRONMENT

Mr. Chairman (William Chornopyski): Would the Committee of Supply come to order, please. This section of the Committee of Supply has been dealing with the Estimates of the Department of Environment.

We are on item 1.(b)(1) for the last four days. Shall the item pass—the Honourable Member for The Pas.

Mr. Harry Harapiak (The Pas): Mr. Chairman, we have had a fairly freewheeling discussion on the environment, and we said previously we would have discussed all parts of it, and then we would pass all of them fairly quickly.

One of the areas that I have some interest in, and I know that it comes under the Manitoba Liquor Control Commission, the Minister announced earlier in the budget year there would be a program dealing with refunding liquor bottles. How much revenue has that amounted to for the Department of the Environment?

* (1430)

Hon. Glen Cummings (Minister of Environment): I cannot give the Member a precise figure. The income would have only begun in August. We are still in the early parts of this, of receiving, or of the money going to that fund. I could get a precise figure, but the sum is fairly substantial, and we have only begun to receive. Another thing that the Member should recall is that the Liquor Control Commission has made arrangements with MSDR to dispose of the glass, and costs associated with that will be deducted before any funds flow to other environmental initiatives.

Mr. Harapiak: Mr. Chairperson, when the announcement was made in the Government's throne speech they said that the dollars would be going to environmental groups that are dealing with environmental issues, and one of them is the Manitoba ECO Network Incorporated. I know that the Minister is familiar with this organization, because he spoke to them when he first became Minister. I know that he is familiar with the good works they are doing throughout the province. They deal not only with school children in the province who are continuously asking for information. The Government also uses them as an information source.

There are many organizations throughout the province that are using the Manitoba ECO Network

Incorporated as a source of information for environmental issues. I know that they have a group of about 200 subscribers and there are 50 member networks, and I know that they are a very important group. They have been asking for core funding for this year since early last summer. The Minister, or his department on several occasions has said that yes, they would get core funding.

Where is that core funding at this time, because this organization is continuing to do good work for the Province of Manitoba? They are doing good work for the environmental groups who are out there seeking information. I think they are an asset to the community and to the province, and they certainly are worthy of support from the Government. Where is this request at this time?

Mr. Cummings: Mr. Chairman, I well remember on the first five days of my life as Environment Minister, visiting the ECO Network on a Saturday morning, bright eyed and bushy tailed, and they attempted to arrest me. So, I remember my attendance there rather well.

As to core funding, that is still under discussion. I would suggest that perhaps the Member is not referring to core funding inasmuch as he is referring to whether or not funding requests that have come forward from this organization have yet been acceded to. Other than what has been the normal practice within the last number of years, and how they deal with the department and assistance that they get, that is the sum total of assistance that they are receiving at this point. That is in relationship to, I believe, we occasionally get some work done by the network for which they receive monies, and that helps to sustain them with their activities.

Mr. Harapiak: Mr. Chairman, the organization gets some funding from Environment Canada, but it is does not give them sufficient funds to deal with all of the requests that are coming from the public, and I would hope that the Minister could come forward very quickly. He said that it is still under negotiation, and I know that his Deputy Minister has assured them on several occasions that the funding will be forthcoming in the very near future.

I am wondering if the Minister can be more specific than that. Can he give us a date as to when, within a time frame, that will be approved, because the year is coming to an end? They have already been requesting this for quite some time, and I think it would be reasonable to expect an answer rather than saying the negotiations are still continuing. Can the Minister be more specific as to when that organization could have an answer as to when their funding would be coming?

Mr. Cummings: No, I cannot. We have a number of initiatives in the Legislature, including monetary matters related to the Government. When we get them passed we will be in a much better position to discuss these types of initiatives.

Mr. Harapiak: Mr. Chairman, the Minister has given funding to a variety of environmental issues throughout the province, and it seems that he is giving funding

for some groups. When he got up and spoke about, yes, he remembers that quite well, in his first five days as Environment Minister, that the people tried to arrest him. I wonder, has this coloured the Minister's thinking when it comes to funding that group, and is that why he is refusing to fund that group?

Mr. Cummings: No, Mr. Chairman, I have the highest regard for the gentleman that heads up the organization. He and I are co-chairs on committees on the Round Table on the Environment. Mr. Jack Dubois and I get along very well. I would suggest, however, that the Member has not accurately reflected what my department has done. There is only one non-Government organization that I can think of where they have received any funds from my department, and that is in support of the Wolseley blue bag program. It seems to me it was \$30,000.

Mr. Harapiak: Mr. Chairman, the blue box program in Wolseley is just one example of when you co-operate with an organization you can get some very positive results. I think that should be used as an example as to why they should be giving funding to this Manitoba ECO Network Incorporated. They have submitted a budget to the Government. They have submitted a budget for \$44,000, and I do not think that is very much to ask for all of the work that this organization does to give information to school organizations and anybody who has any interest in environment throughout the province.

Their resources are not nearly what they need. I think, together with the funding that they get from the federal environment department, then this would put them in a good position to carry on with the very worthy work they carry out on behalf of the environment in this province. I would hope that the Minister would have a look at that budget. The Minister of Finance (Mr. Manness) says how much? I do not think that \$44,000 is anywhere near the amount of funding that you will be getting from your refunding the liquor bottles in this province.

There is going to be a lot more revenue than that, and that is one example of a program that can be used, an organization that exists. There is good co-operation with this organization. If you would fund them you would certainly get many times the return for protecting the environment. I hope that the Minister would act on that very quickly.

Mr. Cummings: Mr. Chairman, let me reiterate without reservation that I have the highest regard for Jack Dubois and the work that he is doing. I will continue to work with Mr. Dubois, but I am not going to be cornered into making a commitment today on a topic of this nature when we have a lot of outstanding fiscal matters in front of this Legislature that have not yet been dealt with.

Mr. Harold Taylor (Wolseley): Heaven forbid that we would hurry the Minister of Environment (Mr. Cummings) into making a rash decision. However, the fact that there have been verbal assurances by officials who are assistants to this Minister, the fact that there would be

\$40,000 in basic funding for the Manitoba Environmental Network in this fiscal year. Now when it comes to making that commitment in writing, it is not forthcoming.

* (1440)

We are seven-tenths of the way through the fiscal year. We are still dealing with Estimates, mind you, but we are almost through this fiscal year.-(interjection)-What? Yes, I certainly have, and the Minister says, you have noticed that we are this far along. If the House had been called back last spring or early winter, as it was supposed to have been and was the informal understanding, we probably would have been done Estimates before Thanksgiving, which is when we should have been done. It would be hopeful that we will see someday that this Legislature will get back on its normal time track. Well informed as I am of when the time frames are for this sort of process, I still scratch my head when we are doing this sort of thing this late in the year.

The point is there have been assurances at the highest level within this Minister's own office as to the funding for the Manitoba Environmental Network, which is one of the most important environmental groups in that it is the group that communicates with and crossfeeds information between more than 90-odd member units. Why is it that the Minister's officials can say one thing and say it again to the leadership of the Manitoba Environmental Network but there is no follow-through?

Mr. Cummings: Mr. Chairman, there are lots of requests that come to the Department of Environment for support. There are some very interesting requests in terms of innovation regarding potential projects on recycling, reuse or reduction of material, seeing as how that is one of the more topical subjects these days, and also one of the ones that warrants a fair bit of attention.

The beginnings of recycling of glass has started through the initiatives of the Manitoba Liquor Control Commission. There will be funds that will accumulate in surplus of what their costs will be, but if we funded every organization that came through my door looking for money, I can assure you it would take a far bigger tax on glass and on a lot of other items in this province in order to accede to those requests.

The fact is that the entrepreneurs of this province, the local service groups of this province have looked to this potential source of revenue. I look forward to this potential source of revenue to be able to deal with initiatives outside of the department, in some instances, where one-time initiatives may be able to be undertaken. I suspect that if the Members wished to continue this line of questioning that they have been talking with people within the network who are adamant that they should be getting some Core funding.

I am a little troubled with the fact that both of the Opposition Parties would start talking about Core funding for organizations. It is one of the things that I am sure the former Member of Government, the critic for the third Party, would remember that it is so easy

to provide that first grant. It is a bit like the issue of baiting a trap because once an organization has become accustomed to receiving the outside support through the good offices of the taxpayer and the tax collector that, all of a sudden it is very easy to then start another branch and get Core funding for it as well. It is very much the same as the argument to provide intervener funding, if we want to get into all of these areas of additional funding because, quite frankly, this is just one of those issues where you cannot open the door just a little bit. You have to have a firm policy position on how you are going to deal with disbursement of Government funds in relationship to grants, particularly because organizations very quickly become addicted to them, and Core funding is very quickly gobbled up, very often in administration costs.

Do we always have increased productivity and efficiency from these organizations when they have increased administration? I am not sure. Too often—and I certainly do not make this in reference to the econetwork, but in terms of the broad question—there is too often that we put money on the table for Core funding and do not go back and evaluate whether or not we are getting increased value for our dollar. The first year or two I am sure it is good, but we have hundreds of organizations out there that begin on a voluntary basis, that begin on a basis of social and personal commitment and after a while they become the handmaidens of Government in terms of needing that ongoing support.

I would advise both my critics to be cautious in how they approach this topic because if they wish to start straying into this area there are a lot of other things that perhaps they should be putting on the record, and when they get that list long enough I can tell you I will take it back and use it against them in the public.

Mr. Taylor: One thing we are being addicted to very fast in this province is a lack of real action on the part of the Environment Minister, and we are also becoming addicted to verbose responses with little content.

I am more than a little concerned about the response we have just had over the last few questions from this Minister, given the fact that the Manitoba Environmental Network is the key environmental organization in the whole of the Province of Manitoba and is in fact part of a national network. The fact of the matter also is there is a certain amount of base funding that comes from Environment Canada; small that it is, it is the step in the right direction.

The fact of the matter is, is the performance and the activity in the statements of the Minister's own staff, that is what the question is about. I am not terribly interested in a philosophical answer when there have been promises made of \$40,000 coming in this fiscal year that are not backed up in writing. Now that is what we are talking about, it is the conduct of the staff in your own office. Now the promises have been made, at least twice that I am aware of, that there will be \$40,000 of base funding coming this fiscal year. We are seven-tenths of the way through the year and the Minister says: I am not particularly enamoured with this whole approach, we do not want the groups to

become handmaidens to and, therefore, not effective, not interested in raising their own money. They will always be out with the hand for dipping into the public purse. I am not very keen about this and I get so many applications per year.

We are talking about the key group in the whole province, we are talking about the fact that his assistants have said the money will be coming. Then they ask the Minister, could we please have this in writing because things are getting very tight for this fiscal year and we assumed that was coming and the word of his assistants was as good as it should be. I would like the Minister to make good on those words, and if he is not prepared to do so I want to hear what sort of investigation he is going to do in his own office and what sort of pinning back of the ears of his own staff he is going to do so that there will not be this sort of promise made out of turn again if the Minister is not behind it.

Mr. Cummings: Mr. Chairman, I am a little surprised by the voracity of the Member for Wolseley (Mr. Taylor) on a \$40,000 figure that he is using. The grant structure and the accountability of Ministers is very clear. When organizations make application and justify what it is that they are looking for perhaps they read too much into certain answers, and I am not standing here today saying that there will not be any results to this discussion. But there are a number of people and organizations who have brought forward requests, and I believe I have dealt with them all in a fair-handed manner and I do not intend to deal with the econetwork in any different sort of a way. If the Member for Wolseley has finally found an issue, I thought maybe after he had his locks shorn that maybe he was not going to be quite as mean, and he has been pretty good up to this point, but frankly, Mr. Chairman, I have to tell you that this is not a major issue, but I am not about to make an announcement based on his form of hearsay.

Mr. Harapiak: Mr. Chairman, we were led to believe that the Deputy Minister of Environment has made a commitment, a verbal commitment to support this request. Is the Minister aware of that support, and does he agree with the Deputy Minister who said that there would be funding coming forward?

Mr. Cummings: Mr. Chairman, I can tell you that the only two people that I have heard talking about this are presently in the Chambers with me, and they can question their sources if they like. I have not made a commitment, nor have I heard anyone else make a commitment on my behalf.

* (1450)

Mr. Taylor: We have heard, Mr. Minister, that a commitment was made on your behalf, albeit orally. Now, that statement has been made by officials of the Manitoba Environmental Network, and I know they are prepared to say that same thing to your face and to give you the date and the time and the person, my point to you then is: what are you going to do about it? That is what we are asking here today, in that there were verbal commitments made by staff under your control to the effect that there would be an operating grant for this key organization this fiscal year.

Tuesday, December 5, 1989

You are saying you have not made the commitment. That is not the message coming out of your office. I suggest to you, under the principle of ministerial responsibility, it is incumbent upon you to investigate and find out what happened, and come back to us and say just what did happen, so that this sort of misinformation does not go forward and mislead a group again. I think that is a reasonable request. We are expecting some action on it.

Mr. Cummings: As I said a few minutes ago, there are a number of organizations that I have had discussions with myself, where I indicated that I had no funds available to support them, that potentially there could be some funds available in relationship to the environmental taxes that we were accumulating, or expected to accumulate, in relationship to the returned glass liquor bottles. That fund, frankly, while there can be predictions made, the amount that would be available has yet to be determined.

I think, also, that we need to realize that the Members are choosing to advocate on behalf of the ECO Network and that is quite okay. I respect them for doing that but, frankly, if they expect me to start some sort of a witch hunt, or if they expect me to make some sort of a blasé commitment, then they are unfortunately not going to get that.

Mr. Taylor: The fact of the matter is an official in your Ministry misled the largest environmental group in the province. It is incumbent upon you as Minister of the Environment to inquire as to what happened. We are not saying that yes, you get all sorts of groups requesting, and you will say you will look into it, and you will consider it. That is recognized and that is the sort of words that should come forth. That is not the case in point here. The case in point is there was a verbal promise that there would be monies, and there would be significant monies. I want to know how that official could get away with saying that when there was no ministerial backup to it. If the Minister is not prepared to follow up on that and to bring forth an answer through Estimates or later in the House, then we are going to go after him on it, and he has that as an undertaking.

It brings up the point of the matter. The Minister, Mr. Chairman, had a number of undertakings of which I have had no communication on. The Government is interested in us getting through the Estimates process—this department, the balance of them—so that the process can be completed with a concurrence vote, and on with other matters. However, the request that I put forward for the numbers of people in his department and in others that are working on the matter of sustainable development, the levels, how they are being paid, how the operational monies are coming forward, their levels, et cetera—and the Minister has that all there—we specifically requested, quite reasonably, and did not expect it to be there in an hour. We have none of that information before us at this time, and I would ask the Minister what his intention is on this?

I think we put in a fair request to the right Minister. We did not expect it turned around instantaneously, but we are supposedly half way through the

Environment Estimates. I put that optimistic note to him in all seriousness. Can he not respond with these undertakings and table them before us now, so we do have a chance to review them and study them, so we can at least pose some informed questions?

Mr. Cummings: Mr. Chairman, it was right at the beginning of the last day that we were here in Estimates, and I brought back the answer to this Chamber as to how we intended to respond to these questions. I apologize if the Member did not hear my answer. I would invite him to peruse Hansard as I am sure it should be on record, where I indicated that all of the technical answers regarding sustainable development unit, the costs associated with it, the names and whatever else he wished to receive on that issue would come through Executive Council when they were doing their Estimates.

It is not unfair that he should ask me some questions on sustainable development, being as how it is so closely related to environment and the economy. Frankly, I think it is unreasonable to expect that I would answer on behalf of another Minister or another department, and in this case the sustainable development unit is connected directly to the Executive Council.

We have indicated that there are people from our department who have gone to sustainable development, and I indicated I believe the numbers. That is reasonable. I have indicated some of my philosophy on sustainable development. I have indicated some of the services that I get from sustainable development unit, but beyond that, if he has particular questions about the dollars and cents and the names and so on, I suggest that he ask that question to the appropriate department.

Mr. Taylor: I have two points back on that. If the Minister is suggesting that in the sustainable development committee, it is a unit of Executive Council, therefore it will be dealt with there, fine. I accept that point with one condition. There is a request tabled here for legitimate information. We are not going on some fishing trip. We are looking for specific things that are normally dealt with within the realm of the Estimates process. I would, therefore, request his co-operation, and that the request that we put forward here be forwarded to the Minister responsible, so that information could then be dealt with as an item of information tabled when Executive Council comes forward. I see the Minister from his seat saying that he could do that and I appreciate that response.

The second point is, though, that we do have seconded staff, and I am not certain about other support, out of this department. Therefore, I will simplify my request and it goes as follows. Will the Minister provide, as soon as he practically can, the information as to the people that are actually seconded out of his own department? That would be the number of them, who they are, their levels, the positions they come from, and whether their salaries and benefits are still coming from this Minister's responsibility. If they are not, then just a statement they are being covered off by Executive Council would suffice.

Also, is this Ministry providing to the special sustainable development committee any other supports, i.e., office space, travel monies, vehicles, office equipment supplies, the whole realm of materials that go in with operating a normal Government unit? We have no information on that and I think that is appropriate. Did the people go over with supports, did they go over just themselves? Did they go over themselves with salaries? Those are the sorts of answers we are looking for.

Mr. Cummings: As a result of the previous questions that were posed and these further questions today, Executive Council staff is already aware of the questions, are preparing the information so that it can be produced in conjunction with the Executive Council Estimates, and the answers will be provided there.

Mr. Taylor: That response is much appreciated, and I trust that the Minister then, by the time of Estimates Thursday, could provide the balance of information, the smaller amount that is particular to his department that is still being costed to him. If I could have a response on that, then I will move onto other questions.

* (1500)

Mr. Cummings: If I understand the question correctly, he essentially wants to know who is gone from our department and if we are paying them. Also, I think the Member refers to the fact that—and perhaps he is asking if this somehow leaves our department naked in some respect, being short some people who are obviously important to us. It does not, because we have subsequently backfilled their positions so that we can continue with our departmental responsibilities.

Mr. Taylor: Yes, the Minister is aware of some of the things I will be asking. That is that sort of thing, so that can be on the table with the names, the positions, the levels, the dollars, and other supports. I think we can deal with this on Thursday. I will move on, Mr. Chairperson.

To deal with the interesting new tax that was levied recently on non-returnable glass liquor containers and if we had the advice today of the Honourable Minister of Finance (Mr. Manness), maybe he could give us an exact number. But in any case, the numbers I have been given is that tax has already accumulated significant tens of thousands of dollars, in fact, maybe as much as a couple hundred thousand dollars some people have guesstimated.

When the tax was announced there was much fanfare to it and how much good it would do for the environment, environmental groups, et cetera. We are well into the fiscal year and my question is to the Minister. What agreement is there from Cabinet as to the disposition of these now collected and ever accumulating dollars from this source?

Mr. Cummings: The plans and programs of the Government, as outlined in the budget, provide the framework upon which Government works, and the direction in which it will ultimately put its fiscal forces

if you will. I think the Member, while he may seek some considerable detail at this time, is going to have to recognize the fact that the fund is only starting to accumulate dollars for the Government. It is not reasonable to expect that a line department should start taking unexpended salaries, for example, to fund projects within the department.

It is only reasonable to expect that once we have a clear understanding of the amount collectable and the amount that the department or other departments would, it does not all have to be in Environment. There may very well be initiatives that other departments would want to consider requests for that are very much along the line of supporting sustainable development initiatives that would rank very high in terms of being environmentally friendly activities.

I would give an example just so that the Member does not think I am putting a hypothetical and non-real issue on the floor. A perfect example could be someone who is interested in recycling tires and had some technology problem that needed to be dealt with, or matters of that nature. There is no need to get into a long debate on that particular technicality, but in fact the expenditures of any Government have to be organized. You cannot simply transfer funds willy-nilly from one area of a department to another on the expectation that you are going to receive some offsetting funds down the road.

I would expect that the Members of the Legislature will be interested in looking at supplemental funding if and when it comes forward to deal with the discussion on how the Government continues to fulfill the objectives that we laid out for ourselves in the Speech from the Throne.

Mr. Taylor: That was a most interesting answer. I think, given the example the Minister brought forward, we are just going to call him "Evertready" from now on. I said we will just call you "Evertready" now given that example you used of a project that could use these dollars.

In all seriousness though, I am somewhat concerned that the Minister would even suggest there would be any potential use of these dollars in a department for any of the expenses that are there in a department today. I would hope that there would be a follow through as per the Speech from the Throne that we are going to see these dollars expended in a way that we have not seen before. I think, however, the track record is borne out that although there have been wonderful press releases on the usual green letterhead with the buffalo, talking about this grant and that grant, most of the ones that I have seen quite frankly over this last while and especially since the last throne speech was delivered are grants that have been delivered to similar groups in the past for similar projects and in similar amounts.

Many of them, for example, go to conservation districts. There is nothing wrong with the province granting monies for special projects in water conservation districts because I happen to be a very, very strong supporter of the work of the water

conservation districts. If that is what this Government says it is putting environmental grants to, then I have to say well, wait a minute, that was all going on before. It comes out of another department; it is one of the older departments that is involved in this.

We still have the question on the table to the Minister as to what is going to happen with this fund? Quite frankly, other than the blue bag curb side domestic garbage recycling project in Wolseley, which unfortunately is yet a short-term funded project, I do not see much in the way of grants to environmental groups in this province. I would suggest both environmental groups and environmental projects are quite frankly starving, and they are starving while hundreds of thousands of dollars build up in that fund. Now obviously the collector of the fund is the Honourable Minister of Finance (Mr. Manness).

The Minister of Finance is the one who is controlling those revenues. Now whether that has already been agreed to by Cabinet as to how the fund will be dispensed with, I hope we are not talking that it is going to be built up as some sort of an endowment fund at this time because it is going to be a long time before there is any real money in any amounts there. We need some money desperately for some environmental projects, some groups, some corrective action, and it is needed shortly.

The point of the matter is what decision has been made as to the dispensing of these funds, and is it under the control of this Minister to any extent? Has it been divided up, or is it as I suspect, there has been no decision made, and it is just making general revenues look better while the environmental groups and environmental projects starve?

Mr. Cummings: The Member is doing his job as an Opposition Member to try and lure me into saying something in advance of a proper announcement or a full plan being put forward to the public of the province. I suspect we are seeing something else here as well and that is, he is worrying about whether or not we are going to put money into more studies; he is worrying about whether or not we are going to put money into hiring friends of environmental organizations so that they can have administrative jobs; he is worried about whether or not we are going to put money into studies and research and whether we will hire environmental lawyers; he is worried about whether or not environmental lobbyists will be able to put bread on the table; he is worried about whether or not consultants in the environmental field will have bread on the table as a result of this tax.

That is most unfortunate, Mr. Chairman, because frankly the tax was brought forward in order to do some very valuable things on behalf of environment within this province, and that is what it will be used for.

* (1510)

I am most concerned that he is doing what he hopes I would do, and that is make a fool of myself by saying all of a sudden I support something because it is laid

on the table and, by golly, it is a good idea. There is another idea; we will take that one over there, and I will have a green one here, and a brown one over there. That does not make any sense for the manner in which a Government should operate.

He is doing his job as an Opposition Member, I give him his full due. He is not going to lure me into that kind of a debate. Unfortunately he is putting his agenda out there and if that is his agenda then—

An Honourable Member: Heaven help us.

Mr. Cummings: Heaven help us, that is right. That is another example of the kind of ad hoc development of agenda I am afraid he might be prone to. I am sure given an opportunity he could sit down and revise this and make it look a lot better. If that is his agenda for how this tax should be spent, then I think he is probably mistaken about what some of the priorities should be and how we do things on behalf of the environment in this province.

Mr. Taylor: We on this side of the House certainly do not need any lectures on ad hocism and knee-jerk reactionaryism because we just have to look across to the benches on the far side every day to see the evidence of the lack of action. The point is, there is no action, and that is what the issue is.

When this tax was announced it was supposedly for innovative environmental projects that were required in this province.

An Honourable Member: More lawyers, more consultants.

Mr. Taylor: The Minister from his seat talks about more lawyers and more consultants and more studies and more interest groups and do you know, Mr. Chairperson, what he demonstrates? He unfortunately demonstrates his lack of concern for the environment and his cynicism, his absolute and profound cynicism about the environmental movement. It is sad the Deputy Premier of this province would behave in this fashion and would publicly display his views in that way. Maybe now that those views are out on the table is why we are seeing the inaction, why we are not seeing things. You have to finally move off of spot one and that is what is not happening with this Government. It is not happening at all.

(Mr. Neil Gaudry, Acting Chairman, in the Chair)

They come with an interesting idea for a tax and they do not do anything. They sit on their hands and they sit on their money. I do not know if bags of money feel that comfortable to sit on. I would rather have the bag somewhat depleted and know some corrective action was being taken to improve the environment.

If the Minister at this point does not know what he wants to spend it on, then it would suggest to me and to others here in the House and to Manitobans in general that they do not know what they are doing, they do not have an agenda. He is very afraid I might point out that is exactly what is going on out there, no

Tuesday, December 5, 1989

agenda, rampant ad hocry. That is sad, that is really sad.

The Minister talks about studies. Far be it for me to just point the finger at the numbers of studies. I do not have to, all we have is here in the documents saying this press announcement and that press announcement, press conference here, giving a speech there, we will study this and we will study that, and we will study the next thing. It is like they do not believe their own Civil Service who supposedly have been looking at some of these issues for numbers of years. The Civil Service did not totally change in the spring of '88, thank God we have some continuity in there.

Hopefully they will do some teaching of some of these new Ministers on some of these matters, but they feel they have to study the thing to death. There is a task force on this and there is a consulting group on that, but it is okay if it is done as appointees of the Conservative Government. Many of them are quite frankly—the only reason they are in there is because they are carrying that blue and white and red card, not because they have any particular skills, but because they have done long political service in the right riding and now the political toadies are getting their rewards.

If anybody else studies the environment and anybody else thinks they should study the environment or get legal advice on it, then it is wrong. Then it is wrong. They do not want to spend any money in the wrong way and that is fine, but they do not spend any money at all on anything, right or wrong. The inaction here is abominable, absolutely abominable.

The Minister, in a recent get together with an environmental group made it quite clear that not only was he not going to take action, and he has told us this in the House just now—and I am more than a little taken aback that he would come out and say something like that. Even his moderate image is not just cracking, but the fissures are breaking wide open. His profound right-wing conservatism and reactionaryism is coming out.

He told this group he did not in any way believe in intervener status and intervener funding. He made that general statement and then referred to the example of the water protection group.

My question is to the Minister, is he prepared to put that on the record in this House today, again, and say why he does not feel he would rather work with a group of interested and concerned and sincere and capable people like the water protection group and see what small assistance he could give them so they could work to the betterment of assuring a quality water supply to two-thirds of the population of this province, or is he going to give the same sort of kiss-off and reactionary answer we have just been having?

Mr. Cummings: This is really interesting. I am learning more and more about how the Liberals develop policy here.—(interjection)—No, no, it is not from the seat of the pants, it is from the balls of his feet as he leaps to his feet and says here is something else I want. I think he referred to my profound right-wing position. I presume the group I met with last night did not waste

any time in letting the Member for Wolseley (Mr. Taylor) know I was not prepared to provide intervener funding for the concerned citizens group who were lobbying for themselves and for the water protection group for intervener funding.

At the same time they were lobbying me to have the federal FEARO process brought to Manitoba to deal with the storage of nuclear waste. I wonder if they also told him that I suggested to them the reason we did not really want the FEARO group work done in Manitoba is because the position of this province has not changed.

There is no use in discussing with us whether or not we are going to accept storage of nuclear waste from other jurisdictions because we are not. Until that policy changes, what are we going to do? Well, the FEARO process is coming here on discussions on their scoping of the hearing process and the people of Manitoba will have an opportunity to pass comment on that.

I also pointed out to the group, and I will point out to the Member here, there is an old saying that goes, if you fly with the crows you are liable to get shot. Quite frankly, by entering into this FEARO process we are admitting we are probably going to ultimately decide that there will be a storage site established in this country whether or not anybody has established the principle of the user should be responsible for the storage of the product or not. They want to get into further discussion right now and have a platform upon which to state their opposition to the nuclear source of energy.

That is quite okay if they want to get into that discussion and express their position, that is fine, but let us not confuse intervener funding with the right of the federal Government to have hearings across the country. We cannot stop them from coming to this province. We have not invited them to come here because our policy on storage and the Bill passed by the previous administration, I think they referenced it last night as Bill No. 28—I cannot remember which year however—is still in place and we have not taken steps nor do we intend to take steps to countervene the content of that Bill.

* (1520)

In terms of intervener funding, I have said in this House many times so I will simply put it on record again—chew up some more trees by putting it on paper—we have said we will work with organizations within this province, but we pay good money for the people within our department who are competent people to provide the expertise to evaluate the environmental assessment work that comes forward in relationship to a number of projects, well, all of the projects that come forward to CEC, or to evaluate the projects that come forward and are given licence without public hearings. That is what we hire expertise for within our department. That is what the people of this province pay for. It is not unreasonable therefore to suggest that they should not have to pay twice to have the assessment work done to evaluate the material that comes forward.

I take some considerable umbrage at those who suggest that, because the Government is considered

to be a proponent or a co-proponent of certain developments, they are thereby incapable of having it assessed. The fact is the Department of Environment is not the proponent. It is other departments where these types of issues arise. It seems to me that a similar parallel could be drawn to say that the Department of Justice can somehow be compromised because they are employees of the Government and therefore advice and work that is done in that area should be questioned in the same manner as what comes out of the Department of Environment.

We do not do that, and I do not think therefore that it is correct to assume or to make the allegations that the Department of Environment cannot provide the independent assessment that is needed for projects that are brought before us from time to time, even though it might be occasionally other departments of Government who are in some way involved in the work, and that includes, of course, Highways who are proponents for building of roads. That can include any one of a number of departments depending on what the initiatives could be.

So, if the Member thinks that my profound right-wing thinking, as he refers to it I believe, somehow interferes with my ability to clearly look at this issue and somehow miraculously have an intervention by coming down from some mountain somewhere and decide that I have seen the light and suddenly decide, undoubtedly with the support of all of my colleagues, that we are going to provide intervener funding, then I suggest that he had better sit down and rethink his position.

Mr. Taylor: Mr. Acting Chairperson, the Minister makes interesting reference to flying with crows. I would not know how often the Minister makes a habit of flying with crows or any other species of scavenger, but as far as I am concerned, he has not even turned into the wind, let alone started his takeoff run or gained any altitude when it comes to dealing with the environment in this province. He has got a lot of learning to do yet—a lot.

The Minister of Highways and Transportation (Mr. Albert Driedger) suggests I have got a lot to learn. I have always admitted that, but I have been active in this for a mighty long time as a volunteer, as an activist, and I am quite proud of my track record. Statements that he made earlier this year on Dutch elm disease were absolutely abominable and show the weakness of this front bench when it comes to the environment—just unbelievable.

Now the Minister talks about the FEARO process coming to Manitoba and that he cannot do anything to stop it. Well, that is quite true. We recognize the Minister could not stop it and probably would not want necessarily to stop it, but you know, after the EARP process in Ottawa as we see it now since Bouchard took over that federal department, we put a big B in front of that EARP because that is what we are all getting, is indigestion from that great big burp.

The point is though this Government and this Minister have never made a statement since coming to power

as to what they want to do about this whole prospect of exploration into the idea of the deep rock storage of nuclear contaminated waste and the long-term storage thereafter. That has not been spoken of. The former Government cannot hold its head too high either on the matter because, although it passed a resolution, I believe in this Legislature to the effect that Manitoba was a nuclear-free zone and I said, well, okay, fine, that is all very well and nice, but what does it mean? What it meant was that when the federal Government through the office of AECL at Pinawa came to do that deep rock exploration about the storage of nuclear waste underground in Manitoba, what did we hear from the former administration? We heard resounding silence. That is what we heard. When they were lobbied by people in this province who are worried about this sort of thing, they did nothing. This is the same point that has been pointed at this Government. They have not taken any action on the matter.

The question that was raised was the principle of intervener funding, intervener status. I think I have heard the Minister's position, and I am going to give him this other opportunity if he wishes to put anything else on the record on that because, in the case of specifics, obviously he is prepared to do absolutely nothing about it on any environmental issue in this province. I think that is probably the case for the rest of the term, short as I hope it will be, for this administration. But, if he has anything positive and pro-active to say about the whole status of this matter, of interveners playing a role in the democratic process, I would ask him to please put that positive note on the record at this time.

Mr. Cummings: I have some fairly positive things to say about the environmental assessment process in this province. Unfortunately, I, in a backhanded manner, will have to give some credit to the previous administration because the establishment of the environmental process in this province is considered quite well in the eyes of other jurisdictions. In fact, yesterday and, I suppose, today as well, we have people in the Yukon assisting them with the establishment of their environment legislation, or at least working with them in the development of theirs.

We have, on the subject of environmental hearing process and licencing, a process that is strong enough in terms of the requirements of what must be brought to it and that is opaque enough inasmuch as the public can see and have the opportunity to have input. I would give credit to the manner in which the commission has been having hearings, whereby it has been made very clear that the general public does not have to fear coming forward in terms of the ability to make representations. They do not have to be backed by an enormous technical amount of information. They can come forward and express their concerns based on the reasoning for which those concerns arose and be heard and have it considered by the commission.

(Mr. Chairman in the Chair)

So it does two things, and the process that the Clean Environment Commission goes through is strong enough to make sure that those who are proponents and choose to bring forward a lot of technical

information can have that information carefully scrutinized by the department and by others who may wish to scrutinize it. But those who have basic concerns about what is happening in relationship to the request that may be before the commission will have an opportunity to do so.

* (1530)

Interestingly enough, the commission hearings on the Assiniboine delta aquifer were a very good example where people came forward in rather large numbers, as a matter of fact, and wanted to express their concerns to the commission, had an opportunity to do so in an unimpeded manner, and had an opportunity to question the proponents in what I am told was quite an unimpeded manner.

So I think the Member, while he wants to go on about intervener funding, and I suppose he would like to discuss that in terms of some of the larger issues, frankly I think he does a disservice to the process that is in place in this province because I do not believe that the federal Government will have, at any time, reason to come forward and intervene in our process, such as has happened in Alberta, for example. Our process is strong enough and clean enough, and fair enough, and sufficiently correct in process that it reflects the requirements of The Environment Act and the federal regulations that are in place as well, that it is relatively safe from intervention by senior level of Government. Nothing is ever for sure, Mr. Chairman, and that is why I couch it in those terms, but I am quite confident in the system that we have, the advice that I have been given about it, and the information that I have received on how it functions.

Therefore, I suggest that Manitoba does not have a great need for intervener funding. There may be some lawyers out there who would like to see intervener funding because it would provide a more suitable income to their lifestyle perhaps, or there may be people who want to make a business out of being involved in environmental issues as they come forward one by one, and certainly they may continue to do so. I am certain that with the growing interest in this area, the amount of workload that we are putting on the Environment Commission is growing daily. I make no apology for that. It is a realistic result of what is happening in the environment these days.

I am not convinced that funding for environmental intervention, or funding for interveners on environmental issues at this point in history is not something that I am prepared to consider.

Mr. Taylor: I thank the Minister for that response because I may not agree with it, but it is quite clear-cut. We will have a little fun using that in the next election because the people of Manitoba do not feel that way about this Act and the process that we have, unfortunately. Because the concern that the people of this province have on the environment is profound, it is widespread, and I would suggest the average population in Manitoba is well ahead of most of the politicians when it comes to looking out for the environment.

Mr. Chairperson, one of the things that I have noted is that the public is demanding more of its politicians when it comes to the environment. I think it is woe to those politicians who do not take note of that and, quite frankly, do not deal with the matter seriously, sincerely, and at some length.

One of the things I did note when working at City Hall was in many of the conservatively-inclined councillors, there was a complete tone of self-satisfaction that everything is "A-OK Jack," and we do not have to worry about it. "It ain't broke yet" was another quote. Well, things are breaking and things are not working and we are, quite frankly, destroying the atmosphere and the environment around us in which we live.

This sort of self-satisfaction I certainly note with this Minister here, and that he inherits an Environment Act of which they were not totally supportive when they were in Opposition and when he was an Opposition critic, albeit not of the environment, but he seems to be completely satisfied with this Act and says that we do not need any changes when it comes to things like concepts of intervener status, intervener funding.

The self-satisfaction seems to go to the point that they are not even prepared to look at what there is going on in other jurisdictions, even the next jurisdiction adjacent. I would recommend to the Minister that maybe he look a little further afield and see what goes on in dealing with serious environmental matters in other provinces and, if necessary, outside of the Canadian jurisdiction entirely because environmental protection, environmental law, environmental research, are all items that quite frankly we are at a beginning and there is much, much learning to be done by all. This attitude of self-satisfaction is not going to serve anyone well, and it certainly will not serve this Government because they will pay the price for a cavalier attitude.

I would ask the Minister, in that he is not prepared to look at a concept even in a conceptual stage of intervener funding, intervener status, and that was quite clear in his responses, how does he feel about the Act that he inherited from the NDP? What sort of a review has he done about that Act, and what sort of amendments is he contemplating or proposing?

Mr. Cummings: Well, I would hope that the Member does not try to put words in my mouth as relationship to the Act, whether or not I am totally satisfied with the Act. He indicated a few minutes ago that he thought I indicated some kind of self-righteousness in terms of the process. He is looking at the Minister who has just had to deal with the City Council—for which I believe he was a member for a number of years—and I do not know why it was that when he was a member they did not deal with the environmental issues from the point of view of the city. I guess he was either impotent or he did not care. Maybe he is a new-found environmentalist, although he said he has been an environmentalist all his life or for a number of years, but I think he is born-again green. I am sure it must be what has happened, a born-again green, because he sat on City Council for a number of years, and what did he do about the environmental problems in the

Tuesday, December 5, 1989

City of Winnipeg? Did he tie himself to the -(interjection)- Well, there is another councillor over there. Perhaps another born-again green over there. I am not sure; he is more rose coloured.

Mr. Chairman, did he tie himself to the combined sewers down there and say he would stay there until he drowned if they did not stop dumping out of their combined sewers? Is that what he did when he was in council? What did he do in relationship?

Mr. Chairman: The Honourable Member for Wolseley, on a point of order.

Mr. Taylor: On a point of order, Mr. Chairperson, the Minister made some allusion to my standing amidst the flow of refuse in the sewer. I tell him it is not flowing. I would like to point out to that Minister my name is not Canute.

Mr. Chairman: A dispute over the facts is not a point of order.

Mr. Cummings: Mr. Chairman, I was looking for some commitment from this Member that he did everything within his power when he was on City Council to stop what the city was doing because it was not environmentally sound. Did he go to the Works and Ops and say, we have to make sure we do not take any profits out of sewer and water; we have to put it aside so that we can use this money to someday do something reasonable with the effluent from the plants that we are running? Did he do that? I have not read anywhere where he was the councillor, along with his partner to the right there, that said that they were going to start establishing a fund so that they would be dealing with the outfalls of their sewers and that they would disinfect it. As far as I know they did not do anything.

So, unfortunately for him, he is sitting here today criticizing me as a do-nothing Minister, and I am in the process of trying to clean up behind these ex-councillors. Well, the fact is that he wants to talk about the legislation that we have in place and I reference the City of Winnipeg, not to try and spite the city in any particular way, but to point out that there is a discrepancy between the Manitoba provincial Government legislative responsibilities for the environment and the municipal responsibilities for the environment and, obviously, because the City of Winnipeg is the largest single municipality in this province, they become the focal point for a discussion such as this.

Mr. Chairman, there does need to be some clarification and amendments on both sides to make sure that there is clarity for the responsible bodies to deal with the issues at hand and, interestingly enough, that is one of the most difficult problems that has arisen in enforcement of environmental legislation and that is a clear delineation of responsibility.

* (1540)

The same thing is true at the federal level, but let us leave that one aside. The fact is that we are working toward a resolution of that, but it will not be easy

because The Environment Act calls for the recognition of municipal responsibility. I remember several times in this Legislature being called to task by both Opposition Parties because they claim that the city was not under The Environment Act, that they were exempt. Well, there is no such thing as an exemption from The Environment Act. However, their sewage plants, for example, were not licensed. They will be licensed now under the direction that we have taken, but they will not be licensed tomorrow. We have to bring forward a proposal as to how they will meet the requirements of this province and then work toward achieving that and achieving a proper licence.

Mr. Chairman, we need to be constantly on guard in terms of how The Environment Act operates. The Environment Act can be—and I will admit this freely in this Legislature, because he referenced the fact that we in Opposition said some unkind things about the development of this Environment Act and then we proclaimed it when we came into Government. The fact is it can be deemed to be very dangerous legislation. The powers under The Environment Act are far-reaching and in the hands of someone who might choose to, in some unscrupulous manner, deal with certain issues under The Environment Act could be used wrong. There are broad, sweeping powers there for the reason that people recognize the need to deal with the environment and deal with it in an expeditious manner.

The Member for Wolseley (Mr. Taylor) constantly references the fact that we do not charge a lot of people, that we do not “fine the hell out of them” frankly. Well, the first thing we have to do is get people in compliance with The Environment Act or attempt to bring them in compliance before you start slapping fines down.

We have just moved in Bills, I believe the number is 81-82 to increase the penalties under The Environment Act and under The Dangerous Goods and Transportation and Handling Act, in recognition of the fact that the time is coming when more fines will be levied, but it has not been the track record in this province to be able to achieve high fines in the court system. The question that needs to be dealt with is whether or not the perpetrator of some of the fines has inadvertently caused the problem or has deliberately caused the problem in their actions, and bringing them under compliance helps to demonstrate.

There are a number of people out there who frankly do not know that they are in violation of The Environment Act from time to time and it may be a lesser matter in many cases but frankly one of the most important things that we need to get on with is education in relationship to The Environment Act as well as the enforcement side. I would certainly concur that a re-examination is important and in fact The Environment Act, by the manner in which it is written and by the manner in which we intend to operate as a Government, is under review, will potentially see some revisions in the not too distant future, but again, I am not going to tell the Member areas that I intend to revise or the areas that I am reviewing. The whole Act can be reviewed. Where the amendments and revisions may come, will be after that review is completed. I am certainly not going to get into a detailed argument about

what might be some of the amendments that we would eventually propose.

Mr. Taylor: I find that interesting that the Minister does agree that, yes, a review is in order and that a complete and comprehensive review is in order. At the same time this administration has been in power for some year and a half and he has been Environment Minister I believe for some at least eight months and yet he says that there is nothing there that he sees as obvious change and that is in effect what he has said, or at least he is not prepared to discuss areas of concern in general or philosophical terms of things that could be done better without having it down in writing.

I am a little disappointed that we are seeing now some 86 Bills before us and not one of them showing any amendments whatsoever to an Act that I think both the Opposition Parties at the time the Liberals and the Conservatives said there were problems with, but we do not see any amendments at all to date or even announced as contemplated by this administration, the administration that calls itself an environmentally sensitive administration.

I think we have before us with that sort of a response, Mr. Chairperson, evidence again of environmental lip service. The Minister put some interesting point on the record which I am not prepared to let pass and he talks about how the City of Winnipeg had done certain things or not done certain things and I think that is a fair ball to address. I think it is reasonable to put certain of these matters on the table, but let us be aware of what the facts are and let us make some honest statements about it. We have heard time and time again the Member for Concordia (Mr. Doer) talking about the city being exempt or the city doing this. In fact he has even suggested that there was an official position of council against the new Environment Act and I believe I have talked to the Minister of Environment about this in private conversation.

I was astounded that not only has the Member for Concordia brought this up once, but he has brought it up, I would suggest, close to a dozen times. Nothing could be further from the truth. The issue was not brought to council and I want this in the record. The issue was not brought to council for discussion in the sense that the City of Winnipeg would say, "We as the city with the largest population in the province reject the new act" or "we want major changes because we cannot comply" or "we should be exempted from." That was never an issue of discussion. It was not on any agenda and I challenge the Leader of the third Party (Mr. Doer) to come up with that evidence because I know that he does not have it. He does not have it at all.

What did happen, I believe, and he was the then Minister of Urban Affairs, is that there was what is called an official delegation. The chair people of the committees of the City of Winnipeg, sometimes accompanied by the mayor, did approach him to go a little easy on them. Now that I believe may be the truth, but for him to suggest there was an overt position by the council of which I was a Member and so were a number of our colleagues here is patently false, is

misleading the House and misleading the people of Manitoba and I wanted that in the record. Of course, Members opposite are very free to use that sort of comeback as well, but the fact of the matter is and the record is quite clear, I was not a party to the continuation of the programs of putting in combined sewers instead of separate sewer systems.

I have to admit to only being elected in 1983 and the last of those programs was completed in 1981 so I take no responsibility for what previous civic administrations did on continuing the program of having combined sewer setups in the older part of the city. I think it is a ridiculous sort of system to have and I can speak of that with a certain passion and personal experience. Relish if you will, having been poisoned by the very same system in Kenora this mid-August and, on the record, it was not any fun. This thing creeps up on you after some 36 hours and it packs a punch like nothing you have ever experienced, I can assure you, and my friend over here, the Member for St. Vital (Mr. Rose), otherwise known as in our caucus "Agent E. Coli" can also attest because he is just barely over the experience and that is the truth.

* (1550)

The combined sewer system of Kenora and the poor sanitary practices on a certain cruise boat on Lake of the Woods certainly did us in and they did in hundreds of others. It was a virtual epidemic, because what happened was it was not discovered right away what was going on and so the tourist boat loads for every cruise for some six days, three-quarters of each boat load got very, very sick and some hospitalizations were done. There was a special team of health experts sent in from Toronto to help out. I know the Manitoba and Winnipeg Health Departments also were aiding in their own way, but what a mark to put on tourism for northwest Ontario and Manitoba: Come and visit us, and we will make you sicker than dogs.

I have always had trouble with that combined sewer system, and I sure had trouble in August and September and October. In any case, that is past and I wanted it in the record that I was not a party to the building or rebuilding of any combined sewer systems in the City of Winnipeg. In fact, I did demand that sewer outfalls be repaired. I took a lot of flak on that sort of thing. I also was involved in the first major raising of sewer rates in the City of Winnipeg some, I think it would be, two years ago now, just over two years ago. I in fact took a very hard line position although my position was not sustained.

I wish to see a maximum increase as soon as possible so that we would end up starting to put aside dollars for the very purpose we are talking about. We do know that the water and sewer system of Winnipeg is run not as a normal line department but it is run as a revenue-centred utility. That department actually makes a positive revenue position every year. Some people would call it profit, but you do not usually for a utility, and in fact, what has happened is—and this is what I objected to—instead of the monies being taken and put in a reserve fund to rebuild those old sewers as they should be done, you know what is going on? The

monies are taken and they are offsetting against general revenues so that the general revenue taxation levy is not raised.

Well, I do not think that is the way it should be done and I said so at City Hall. So my track record is quite clear on that. My track record on initiatives to clean up the Red River, quite frankly, I was the first councillor to raise that issue and to make a heck of a lot of noise about it, and got a study done in 1985-86 which led to the City Council position of October '86 which went to this province and said this is what we want to do, set up a bipartite river's corporation to properly manage and take advantage of our river system.

This Minister of Urban Affairs (Mr. Ducharme) now in your Government has taken that and unfortunately taken it and put it to disadvantage because he is now trying to set up a tripartite corporation which from the city's viewpoint was not practical because we do not think you are going to get federal dollars for that sort of thing. We would like to see a corporation in place sooner than later.

We have the case in point of the Federation of Canadian Municipalities lobbying for some three or four years the Mulroney administration for help in getting dollars for infrastructure renewal across the country. Well, Canadians will be waiting a long, long time for that sort of money to come from the Mulroney Tories, and for us to expect here in Manitoba that they are going to willingly put money into it as an ongoing corporation, and not something with a five year life like North Portage, or like the Forks Corporation, but something that is of an ongoing nature is, I think, so much fairyland here and I would hope the Minister of Urban Affairs (Mr. Ducharme) will have the wisdom to change that. Positions that I have taken on cleaning up the air in the city, improvements in parklands, generally in green space, tree plantings, Dutch elm disease, et cetera, are all on the record and I make no apologies to anybody for that.

The point of the matter is, the Minister seems to be content with the existing Act and I am surprised that he will not at least share for discussion purposes any changes that he might think would be better in the Act. The Minister seems to be very afraid that I, the Liberal Environment Critic, is going to put words in his mouth. I do not want to put words in his mouth. I want him to put his words in his mouth because I want the Tory position out there and I would like to open a dialogue on the matter because he would probably find us supporting his amendments. He might not find the third Party in that position, in that they are the originators of that Act. In fact, they would probably be going after him tooth and claw. But I think there should be changes there. I am very, very surprised though the Minister can put nothing on the table in that regard because there are some people in this province who feel that there are loopholes large enough in the Manitoba Environment Act that you can drive a platoon of D-9 cats through.

The amendments to this Act are not something that should be taken lightly, and I will be looking for more information from this Minister and hopefully he will not be so tepid in his response or so tentative or so lacking

in daring as to put anything out on the table, because it is one of those things that—we should not be afraid of making changes to a piece of legislation even if it is a new piece of legislation, if it does need improvements. Put it on the table for public discussion. Put it out there early and do not try and rush through some of the changes that we have seen in some of the legislation from other departments that have come up with what I would suggest is quite frankly undue haste and expectations of, well, we got to get it through, we better jump to it. That is not the environment that we are in in this House and if something is of a crucial nature and it is an emergency, of course there is going to be some co-operation. But there is not going to be co-operation on something that is being rammed down people's throats without due concern.

So I would ask the Minister if there is not any legislation that he contemplates in this Session or anything that he has experienced in his eight or so months as Minister, or what has not been recommended to him by the Environmental Council which is his own recommending group, or by his own officials. Surely he must have had some communications of some of the shortfalls of the Act.

Mr. Cummings: Yes, I have had a number of discussions with the Manitoba Environment Council. I would indicate that I have set up a process whereby I try to meet on somewhat of a regular basis with the executive of the council in order to seek their input on topics of the day and concerns that they have about the approach that the Government is using.

I find it interesting, however, that we would be talking about me being somehow timid or trepid in bringing forward legislation or amendments to legislation. We have—the Member alluded to it—some 90 pieces of legislation, or almost 90 pieces of legislation in front of the House now and we are attempting to get some of them passed. It is unfortunate that we are dealing with a situation where we would like to get certain pieces of legislation on the road and get them passed. The Member referenced the fact that we should have been sitting in here all summer. I think he might want to rethink what he said in terms of getting on with the process of the House. If he meant that we should be here all summer, then I suspect he might want to go back to his caucus and discuss again with them what their intent was in terms of operation of the House.

I have some obvious concerns when you talk about bringing legislation forward because after I saw what two Opposition Parties did to the Bill brought forward by the Minister of Urban Affairs (Mr. Ducharme) with respect to the City of Winnipeg revised legislation, and it seemed like we were into some sort of a game as to who could scheme up the most—I am not sure what you would say—it certainly was not the most useful but certainly the most inventive amendments to the legislation as we went through committee.

We recognize the shortcomings of being a minority Government. At the same token, we have brought forward some very difficult legislation, and in fact, I understand there are negotiations going on right now to get legislation brought forward. I have some concerns

that there may be some Members in this House who are reluctant to get on with the assessment legislation that we have in front of the Legislature. This is extremely important legislation.

* (1600)

A review of an Act, such as The Environment Act, that has only been recently proclaimed is quite an order, but we have a number of pieces of legislation that we want to get on with, and there seem to be some people in this Legislature who somehow doubt the importance of the assessment legislation. Do they think that the school divisions out there do not care whether this is brought forward, given as how right now is when the Department of Education needs to be putting together the figures so that the school divisions of this province can establish their funding for next year? Do they think the municipalities do not care in terms of having the revised assessment figures in front of them? There are certain limitations of dealing with legislation in the structure of the present Legislature.

I am not at all concerned about the criticism that we have not brought forward amendments to The Environment Act during this Session. It is being reviewed, after that amendments may be recommended. I would suggest the Member not talk about me being of faint heart, and look at some of the other legislation in front of this Legislature and encourage his colleagues to look at this in a very rational and sane approach.

I would advise he not let the Member for Springfield (Mr. Roch) get him out on a limb again like they did on 2.(b)(2). They got out on a limb so far they had MAUM and UMM approaching their caucus and saying, will you people get on with it and agree with the Government to deal with this problem. Free advice is worth what you pay for it, but I am advising the Member right now, the assessment legislation is terribly important legislation. It is terribly important to this province.

If he wants to talk about legislation that required some intestinal fortitude on the part of the Government to bring it forward, there it is. If he wants to talk about a situation where Opposition can put themselves in quagmire so deep they will never get out, then continue to play with the lives of Manitobans and the assessment legislation in the manner we are starting to see develop in this Legislature.

Mr. Taylor: Mr. Chairperson, I was glad to see the Honourable Minister of Environment (Mr. Cummings) recognize the context of the three-Party set-up we have in this Legislature. He was also obviously more than a little wound up on the reassessment legislation that is before the House at this time.

I would remind him that the events we saw yesterday where the Government House Leader (Mr. McCrae), without the agreement of the other two Parties, switched from an Estimates day to a Bills day.- (interjection)- I am sorry, the Minister of Finance (Mr. Manness) from his seat points and says that is not so. Well, I am telling you there was no agreement in place with either of the

Opposition Parties to do that and he quite frankly saw the reaction and the results that brought.

There has been communication both verbally and in writing talking about which are priority Bills and why and which are ones of lesser importance but still more important than others. There have been responses back, I believe, by both Opposition Parties in the same fashion. There has certainly been discussions, I have been told, in the third Party Caucuses and I can tell you there was one just very recently in ours.

There is an effort to get through priority legislation and this was a case in point where the Honourable Minister of Urban Affairs (Mr. Ducharme) required an Act to be passed in late October amending The City of Winnipeg Act. Co-operation was there and that Act did get passed in Royal Assent with ample time so there were no problems with the City of Winnipeg.

The Minister makes a reference to all sorts of amendments. We can assume we will be seeing those amendments coming forward on Bill No. 62, because many of them are required there and maybe that is not what the orientation is of this administration or the Minister of Urban Affairs. The fact is there would seem to be some support in this House for many of those amendments.

I would suggest some of the legislation that has come out of this Legislature, given the sort of input that has gone on and given the reflection back and forth by three Parties, I would suggest some of the legislation coming out is better than it was in its originally proposed form and better than legislation that came out of a previous Session of this Legislature and another administration. The benefit we are able to offer to Manitobans is taking the time to carry out that process and to improve the legislation.

I think you have seen people honestly and sincerely get their heads together in some of those committee sessions and figure out what is best and what is practical and what can improve the situation. I hope we are going to see more of that and I say that in all sincerity. Having had a lot of experience in drafting legislation at the city level and working hard in those committee sessions, I think that can be some of the most productive time any Legislator can offer.

I would ask the Minister of Environment (Mr. Cummings) about his track record on stubble burning. We have had an interesting report from the Clean Environment Commission which talks about the situation as being one of, education as required. We have heard that echo from the Minister of Agriculture (Mr. Findlay). Well, it seems the education process in the rural areas of this province has gone very, very far. We seem to have a problem on our doorsteps, because in most of the province the farmers on a regular basis do not burn stubble anymore. They have realized it is not doing their soils any good.

The unusual situation is because we happen to have heavier clay soils in this part of the province, the burning of stubble does less damage to it than it does to some of the lighter soils further west and northwest in the province. As a result, there are very few incidences of

complaints, very few incidences of complaints in those parts of the province.

An Honourable Member: You do not buy enough straw, that is your problem. How much straw have you bought lately?

Mr. Taylor: Some straw dolls we have to knock over here.

An Honourable Member: You are not part of the solution, you are part of the problem.

Mr. Taylor: No, part of the solution. The Minister of Finance (Mr. Manness) says, because I am not buying bales of hay therefore I am not part of the solution, I am part of the problem.

An Honourable Member: There is a difference between hay and straw.

Mr. Taylor: Bales of straw.

I would point out to the Minister of Finance that the use of straw on top of the soil is one of the best things a farmer can do the first year after harvesting. It is going to prevent significant wind erosion. It is going to help the catching of snow in the wintertime that will often blow off, which will mean you will have melt-in in the spring and then you can do a plough-in of the straw.

An Honourable Member: It means that spring you will probably not have a crop that will germinate.

Mr. Taylor: The Minister says you will not have a crop that germinates—the advice out of his own Department of Agriculture is such that it is not necessarily the case, in fact is quite rarely a case. I think we are going to have to do some education.

An Honourable Member: You do not have to take agriculture advice from the Minister of Finance (Mr. Manness).

* (1610)

Mr. Taylor: Thank you to the Minister of Natural Resources (Mr. Enns) who says—an active farmer himself—that I do not have to take agriculture advice from the Minister of Finance. I would say the advice I have just gotten was a little flawed and limited in his experience.

The fact is we have a problem in the valley and we can get back on topic now. The fact of the matter is we have a problem in the Red River Valley and the lands adjacent thereto where there is still a significant number of farmers who burn regularly. Approximately 7 percent of Manitoba's farmers still burn their stubble and their straw—(interjection)—7 percent, 7 percent, yes, regularly, and there are a few others who burn it occasionally.

The occasional burning, and I quote Agriculture Manitoba statistics—(interjection)—The fact of the matter

is burning which is unnecessary to farming practices, which damages the soil, which encourages wind erosion, which does not help the retention of moisture, and which is causing a heck of a problem to those with breathing concerns and medical conditions in the towns, villages, and cities around and including the City of Winnipeg, and which quite frankly is posing a traffic hazard, I would ask this Minister what it is he is proposing to do on this for next season. The situation we had this last year was not satisfactory, nor was the response by the Minister.

Mr. Cummings: Mr. Chairman, there is no question that straw burning causes some difficulties in areas where it is too concentrated. The Member makes the point that burning of stubble is more concentrated and more of a problem around the City of Winnipeg. I suppose that is true inasmuch as there is a large population, but there are lots of other populations in the province who would have to deal with the problem as well, whether it is 10 or 1,010 people who have to deal with it. It can be quite problematic when improper burning processes have been used.

We have dedicated ourselves to dealing with the problem of stubble burning through two approaches: an educational one through the Department of Agriculture in attempting to get the amount of burning reduced dramatically; secondly, there needs to be recognition of those farmers who insist that it is a manner in which they wish to get the straw off their land that they could burn under circumstances that would cause a lot less problems for their neighbours.

There are two things that have evolved at the same time, or one thing that is involved at the same time. That is that there is an increasing responsibility being placed on those who burn. We saw where MPIC has laid charges, I believe in two instances now, where people have burned and caused a series of accidents, some of them more serious than others obviously, but makes the person who has lit the fire responsible for the end result and the pollution and the smoke that he produces.

That will have more impact on the practice of burning I suggest, than almost anything else that happens, because if you go out and light a fire knowing that it might obscure the traffic on a nearby road, it could ultimately result in your farm being sued for the responsibility of the accident, that a lot of people would be very careful on what they do in that respect.

There are other initiatives that Government can become involved in. There had been a very interesting suggestion brought forward, and I think that it is going to be doubly important next year given the weather cycle that we appear to be in—and I certainly hope that it changes—but, interestingly enough, there was a lot of straw hauled out of the Red River valley this year that did not get burnt because there were people in other regions who were looking to acquire it.

An interesting suggestion that we are looking at—and I can talk openly here because the more we talk about it, the more possibly the idea may gel and formulate in the minds of people whom we are talking

about—and that is that it has been suggested that a clearing house of custom operators, who are prepared to bale material and get it off the land, be set up so that they can be advised of where straw is available to get it off the land in the areas immediately adjacent to the city area in the heavier soils of the Red River valley. Then marry up that list with people who want to acquire the product.

The round bales have made a tremendous impact on the ease of handling of material, but they have not made it easier to transport. There are now larger square balers that are becoming more common. The technology, or at least the application of it, is now much more readily available than was even three or four years ago. It makes it much easier to transport. To some degree, you could reduce the material that would be burned and still not leave the land in a vulnerable situation where it would burn because some of the residue would still be there.

We all know that the reason that there is more trouble with burning in the Red River valley than anywhere else in the province is because of the agronomic problems that arise from massive amounts of straw being attempted to be worked into very heavy clay soils. There are some operators who appear to be able to deal with it better than others, which would suggest that it is a management practice that can be improved upon. We also know, however, that there are weather conditions that influence the ability to work the straw in, in order to get rid of it in any manner, particularly if you happen to hit a wet fall.

The soil simply will take up so much nitrogen and take so much energy to work it in that, frankly, I think you could make a case on the matter of energy consumption, that getting the straw off the field in some manner other than working it into the field every year would be more environmentally friendly in terms of the amount of diesel fuel that could be consumed. I do not have any figures to substantiate that, but I know that the costs to the operator go up significantly in terms of fuel costs and wear and tear on equipment.

Frankly, it is a problem that has no clear-cut solution. I know what the Liberal Party has suggested, they are saying burning by permit only. I would suggest that the municipalities are most reluctant to get into permitting in this particular issue. The figures that the Minister of Agriculture (Mr. Findlay) supplied me with this fall do show a significant reduction in the number of acres that have been burnt. I am quite prepared to agree that there were several days this fall when the smoke came into the City of Winnipeg, that it was most objectionable, that it was a problem for people who had respiratory difficulties. I do not indicate anything other than concern and a willingness to try and reduce it further next year.

I believe that we will accomplish more of that. There does have to be a recognition on the part of some operators who are immediately adjacent to populated areas, that by using a little bit more reason and common sense in terms of wind direction and weather conditions when they burn that we could virtually eliminate the impact on the surrounding population. That is not to say that burning is a desirable agronomic practice, but

having farmed for 25 years, I know that there are times when there simply is very little else in terms of a practical option that is available on the Newdale clays, so I know that it is possibly that much worse on Red River valley clays.

I guess, I appeal to the Opposition. Again, he pointed out the vulnerability of a minority Government. I guess I would therefore appeal to the Opposition to be reasonable in their approach on this one, because there is a number of people out there who do need to be dealt with in as reasonable as possible a way without setting an enormous amount of restriction in place. One of the problems, interestingly enough, that seems to be the worst is land that probably lies right within the boundaries of the city itself. I am not sure whether city by-laws apply any differently within the city than they would in the surrounding municipalities.

Interestingly enough, there is a significant number of acres of agricultural land right within the boundary of the city and some of that was burned. I do not know whether that was the source of the problem or not. It may well not have been, but there is an avenue there that needs to be explored. Also, I think there needs to be a concentrated effort to improve on the figures that we produced last fall. The percentage burned last fall was down, except that it was not down in one area where we wanted to see it down the most, which was right close to the city.

So over the course of winter, the Department of Agriculture has undertaken to work one on one, if that is what it takes, with the people in the area where the problem we believe exists the most and determine as much as humanly possible what can be done to improve the relationship between agriculture and the urban dwellers. As a Government with a heavy representation of agricultural people, the last thing we want to be accused of is being soft on agriculture; at the same time, we want to make sure that agriculture keeps up its end in relationship with the urban centres because we are interdependent.

We depend on the urban centres and they depend to a large degree on the agricultural activity; the City of Winnipeg much less so than most others, but it is still a tremendously important industry. That is the direction that we have undertaken to deal with it. Obviously it does not provide any guarantees. The Minister of Finance (Mr. Manness) referenced something that is very important to consider, and I would suggest that it is something we are all going to have to watch for next spring. That is, given the enormous amount of straw that was produced in last fall's crop, and given the fact that a lot of farmers did not burn—they attempted to work that straw in—they are now faced with a problem next spring.

(Mr. Kozak, Acting Chairman, in the Chair)

* (1620)

Given the wrong weather conditions next spring, instead of having a burning problem in the fall we could have it in the spring. Hopefully they will be able to deal with it during perhaps warmer parts of the day when the smoke will rise. You do not get that wet inversion

Tuesday, December 5, 1989

which causes the acrid smoke to come into the city. Frankly, we have to all be prepared to deal with what could be a recurrence of the problem next spring given the massive amount of straw that was produced last year.

Mr. Taylor: Well, I do appreciate that lengthy answer from the Minister. I think I found out some information there. I also am pleased to hear the Minister make comment on the fact the Agriculture Department is actually working on a one-on-one basis with farmers involved in that. It is unfortunate it takes that sort of an effort to get the results, but maybe that is what is necessary.

I would ask the Minister a couple of things though. Could he provide the comparative statistics on burning practices in the sense of numbers and where, because I think that would be informative to all Members of the House? I was not aware that was being done by the Department of Agriculture, and I am pleased with that. Also, he made mention about some sort of an organizational proposal which would see information given as to where straw would be available for baling and taking away, along with some organization that would actually do that work, if he could maybe give us a little more idea of what he is talking about. Is it a case of requesting the commercial harvesters that are coming in and doing work for farmers to also consider taking on this task maybe later in the season, or whether it is some pooling together of equipment? Whatever the proposal is, if he could put a little more meat on the bones, that would be appreciated.

The fact of the matter is we have weather conditions that make any burning particularly bad some days and not bad other days. Now, the proposal that we have put forward is quite frankly not a prohibition of burning at all, but we do feel that a limitation is required, and weather conditions would be one of those limitations. I think we all have had some awareness of the greenhouse effect and every time one burns, whether it is burning fields, whether it is burning forests, you are putting more carbon products into the atmosphere which is not doing anybody any good.

For the most part the burning is not the only solution and it certainly in most cases is not doing those fields any good at all. So we would like to hear a plan announced this spring. If the Ministers—and I see two of them here, Environment (Mr. Cumming) and Agriculture (Mr. Findlay)—are prepared to make comments jointly as to where they see this going, I think that would be healthy as opposed to what we had happen this year which was, we got into the season early with the burning. We put out a warning and we said, you know, this should not continue, and we really did not get any action and it got worse later.

We do seem to see the problem closer into the City of Winnipeg, I agree, but it is not exclusive to there. We could go into the Member for Lac du Bonnet's (Mr. Praznik) riding and have a look there, and you will get peat burning which is just as big a problem, partly for people with breathing problems but also the visibility. That is the one thing—

An Honourable Member: You want more tightly . . .

Mr. Taylor: It is becoming more tightly—the Minister says it is more tightly regulated, but it is becoming more tightly regulated. We may have a ways to go, in my view.

The point is the danger on the highways. In fact, we have had situations from time to time when the burning was so significant in certain communities that it impacted the airports as well because there are limitations on visibility that the pilots have as well. People do not even think of that, but it has from time to time impacted even the International Airport.

The highways is the main one that I want to bring out. I do not think we can tolerate a situation where we, only through the punitive post context of MPIC nailing a farmer for causing accidents, have had too much damage, too many injuries and too many deaths from this sort of thing. So, if the Minister would like to make some further comments on the weather context, on the safety aspect and how things can be done in a co-ordinated fashion from a couple of departments here, I would very much appreciate it. I think it would be appropriate for Manitobans to see where this Government is going on the issue of stubble and peat burning and the hazards that it causes.

Mr. Cummings: If the Member will permit me, I will make a couple of brief comments and I will let the Minister of Rural Development (Mr. Penner) respond to part of the early question to see if he has some pertinent comments as well.

The figures for burning in the surrounding R.M.s, and I will put these on the record, I believe I put them on the record in Question Period one day. The R.M. of Macdonald in 1987, 30 percent, has dropped to 22 percent; Cartier is unchanged at 15 and 15; Rosser has dropped from 30 percent to 10 percent which is a change of 67 percent as a percentage of change; however, in the City of Winnipeg there is no change either. So, that is where I indicate that we have made progress in some areas, not in others.

In terms of the one area where I mentioned that anything we can do to reduce the amount of fields that are burned and co-ordinating an approach to get those who want and those who have together and get it off the land, I was speaking in a conceptual term but I can tell you that it is quite easily organized through the Department of Agriculture, ag rep offices and field offices, if they were to become involved in that and it would probably be something they could handle fairly easily.

I would defer to the Minister of Rural Development (Mr. Penner), if the Member would agree.

Hon. Jack Penner (Minister of Rural Development): I admire the Honourable Member for Wolseley (Mr. Taylor) for indicating to the Members of the Legislature his concern dealing with the environmental impact of the straw burning that has gone on in the province over the past number of years. I want to commend him for the interest that he is taking in it because his concerns are very similar to mine and many farmers' in Manitoba, and have been for many, many years.

I want to indicate to the House that living in the bottom end of the Red River valley, it would be difficult for anybody to find anybody in the southern part of the Red River valley burning straw at any time, or any residues for that matter. Most of the people in the bottom end of the Red River valley and most of Manitoba become very conscious of the preservation of their soil. However, there are substantial costs involved in preserving these soils and leaving these residues in the soils and incorporating them into the soil.

On our farm, for instance, we have in the past five years spent roughly in the neighbourhood of between \$60,000 and \$80,000 acquiring the kind of equipment that is needed to properly incorporate the straw into the soil and to be able to deal with it at the same time in the spring, as mentioned by the Honourable Minister of the Environment (Mr. Cummings). It is certainly a problem and a large cost. If, for instance, you would bale the straw or all the straw off the land instead of burning it and then incorporating the stubble, it would again increase the costs substantially to the producer.

* (1630)

The question I guess I have to all Members of the Legislature and to all Manitobans as well as to all citizens, are we at this time concerned enough about the environment and our soil and the retention of our soil and our water qualities that we are in fact willing to cost-share with those primary producers and indicate to those producers our willingness to pick up a portion of the cost through additional food prices? If the Honourable Member for Wolseley (Mr. Taylor) is willing to speak on behalf of the people of the City of Winnipeg, for instance, and indicate to the farm community that they are now willing to some way pick up those additional costs to the farm community, I think it would be quite welcomed by the farm community and would lead toward further deterioration or a further decline in straw burning in this province.

The clay soils, the heavy clay soils that many farmers have to deal with and grow crops on, specifically around the City of Winnipeg and to the east and south of here, are difficult at any time to till properly. They are, however, much more difficult to deal with in the spring of the year when the soil is wet, and to incorporate them and to make a seedbed out of them that would lead towards good germination, that they can in fact grow a crop. It is much easier to deal with those soil types in a proper manner when the soil is nice and black and without straw, and you are able to compact that soil and encourage grain to grow in those soils.

I thought I needed to interject into this debate and question the Honourable Member, whether he believes that society as a whole is prepared to pick up the additional costs that are incurred by producers in this manner. It is not only the tillage equipment in the fall of the year, to incorporate the straw properly that you can in fact deal with it in spring, it is also a matter of buying seeding equipment that you can use in these heavy residue areas.

I want to say to the Honourable Member for Wolseley (Mr. Taylor) that I believe, if memory serves me correctly,

that a seed drill, a zero till seed drill, would probably cost in the neighbourhood of \$60,000 to \$70,000, which is simply over and above the normal price of a regular grain drill, which would probably cost in the neighbourhood of \$20,000 to \$30,000.00.

There again, there is a substantial added cost to ensure that our environment and our soils will be in such a condition that we can all look forward to retaining them and retaining the production capability of those soils in the future. If we are, in fact, prepared as a society to pick up those costs, then I can certainly live with what the Honourable Member is saying.

Mr. Taylor: I appreciate that answer from the Minister of Rural Development (Mr. Penner). He brings out some details, I think, that add to the answer I had earlier from the Environment Minister (Mr. Cummings). The point that the Member for Rhineland puts out is whether society is concerned enough with the problem that they would be willing to, therefore, participate in cost-sharing. I think it is an interesting point to put forward. It is certainly not one that I would reject. I think you do have to discuss that very sort of thing.

I think the comment made by the Environment Minister of the potential of getting people together through the agricultural representatives in the different districts—for example, in saying there is a surplus of straw down here, somebody else in another district of the province, and potentially even outside of the jurisdiction, has a shortage—putting the people together. There is a cost, it is a small cost, but there is a cost. Why not use Government offices for that purpose? I think that is fantastic, I think that is very positive. I think, too, if Government in some way could be harnessed so that a special co-operative that deals with just this issue of surplus straw, that sort of thing could be encouraged. I better be careful here, I might become a straw boss.

I think there are other ways of looking at it too, as the Minister of Rural Development (Mr. Penner) mentioned, the fact that there are types of seeding equipment, specifically the seed drills, which can deal with the context of the heavy soils without the actual plowing operation going on, and deal with—you know, in fact I am aware that some farmers will actually leave some of the straw on top and they just keep drilling. It does not work in every case, obviously. If there is an incremental cost and there are no other practical solutions, then maybe it is a financing cost the Government pays, not the actual capital cost.

There are different ways that this thing can be approached, but I think you have to approach it creatively, and not sort of put blinders on and say, no, we cannot do this, or, no, we cannot do that. I think a fair and open discussion is what is in order. I hope some of the questioning here provoked a little bit of that.

I think we have to look at the costs on the other side, of the costs in suffering, the costs of people that are impacted by it. I think we have to look at costs in delays to scheduled air travel. I think we have to look at costs and delays on highway travel, and the actual

Tuesday, December 5, 1989

accidents that we have incurred. I think you put all of that into the equation, but I think the goal should be a clean-up as fast as possible, with a solution that is as foolproof as possible.

(Mr. Chairman in the Chair)

I, for one, can assure Members opposite this caucus would be prepared to play a role in fostering a solution. I would ask that the Minister of Environment (Mr. Cummings) and other Ministers, if they would share somewhat of this responsibility, with such as the Minister of Agriculture (Mr. Findlay), maybe the Minister of Rural Development (Mr. Penner), and even the Minister of Natural Resources (Mr. Enns), in talking about peat burning, that a co-ordinated ministerial group start working on that over this winter, so that we do have a solution for the late summer, fall of 1990, and that we do not have some of the heavy smoke problems that we had the last couple of years.

The Minister of Environment may be right, the weather patterns that we seem to be entering into on the longer term may lead to more of, and not less of, and all the more reason to be vigilant and pro-active.

Mr. Cummings: Yes, very briefly, I do not think we on this side of the House have any problem undertaking that effective ministries will work pro-actively to deal with this issue.

Mr. Herold Driedger (Niakwa): I also have a few questions to ask of the Minister of Environment. Part of my background involved for many years the participation with the Manitoba Environmental Council as it was structured before the revisions of the Act that just came into effect last year. As a result of that, and because of some of the problems we had with respect to carrying out the mandate of the council, and taking into account the changes in mandate that were caused when The Environmental Act was proclaimed, I am just wondering if the Minister would make a few general comments as to the council as it is operating now.

I understand it is (a) smaller. It is, I guess, more tightly focused. I do not know how large the board is because I have been away from this now for a couple of years. I am wondering if it still acts in an advisory capacity to the Minister, whether it advises the Minister by virtue of him requesting the council to operate, or is it self-initiating in the things it explores. I realize it only has had a small time to start on this, but if he could just make some general comments with respect to that I would appreciate it.

Mr. Cummings: Yes, because of his previous experience the Member could have as much knowledge about the Environment Council as I do. The membership is approximately 50 right now, which is quite large. They are supported by the department to the extent of two staff years in order to assist with their responsibilities.

My approach to the council has been—and I alluded to it earlier, but perhaps it should be expanded on a little bit—largely that I will deal with their executive. I will deal with them in a forthright and confidential basis.

Thereby we get a lot better exchange of information than one might otherwise be able to have, meeting with a large body, as it were. They can bring forward the concerns of their members within their organization and expand fully on their comments on what we as a Government are, or are not, doing.

* (1640)

I do not want to overstate the situation. I have had two good meetings, I receive correspondence from them, I receive notice of work that they are involved in. I, unfortunately, was unable to attend with them at a retreat that was held earlier this year in which they were re-examining their responsibility as council. I am supporting them in bringing the Environment Councils of Canada to Manitoba next year in a conference setting in order that they can have discussions in the national context. I admit that as the new Environment Minister, I approached with some trepidation the fact that I would have a 50-member council, who are my advisors but not necessarily my friends.

I believe, however, that we have established a working relationship that is not strained, that they are allowed to clearly state their position and the responsibilities as they see them. The only thing I ask of the council is that if they want to hit me with a two-by-four, they do it first, before they do it in public. That is the only thing I have said to them in terms of context of comments or freedom to speak that the Environment Council has. They exchange information with me on their presentations, for example, the Clean Environment Commission. They send me copies of their presentations which I can peruse. I do not put limitations or anything of that nature on that type of work, that is one of the areas where their work justifiably lies in making independent comment as a joint body.

From a philosophical point of view, I would suggest that there might be other organizational structures that I would chose if I had the opportunity to start over again in the manner in which the council is structured. It is by legislation, as you are aware, attached to the department as an advisory body and can very easily get the Minister in a lot of trouble, because the press just loves to see an advisory body publicly criticizing something that the Government or the Minister of the Day is doing. But we are living with that and I believe we have a good relationship with the Environment Council.

The Premier and I both spoke to them within days of my becoming Environment Minister. I appeared in front of their general meeting. Shortly thereafter I got a copy of the minutes of that general meeting which indicated that they were frustrated with the lack of attention the Government was paying to them. That was a topic of discussion between the executive and myself shortly afterwards because I felt that when they got the Premier and Environment Minister both in one day that we were making an honest and open attempt to hear what they were saying and to exchange information.

I hope I am keeping up my end of the relationship; I am certainly trying to. I want to publicly put on the

Tuesday, December 5, 1989

record that the Environment Commission has in my opinion acted responsibly since I have become Environment Minister, that they have given me fair advice and they have given me a fair opportunity. I see the opportunity for continued harmonious relationships as being quite evident. That does not mean that I agree with everything they bring forward and it does not mean that they agree with everything that I do. But I think we have established lines of communications that would be beneficial to the environment.

Mr. Herold Driedger: That is a very complete answer and I think it reflects quite clearly the growth that is taking place not only within the council itself under its restructuring because it did not exist as a legislative body before the Act came into force.

Furthermore, I noticed that the Minister referred to the fact that they were re-examining their role. This almost seems to be something that they do every two years because before The Environment Act came into effect, they were doing the same thing largely because they had been forgotten. As a group, they had been mandated to do something, which is to provide advice to Environment Ministers. Because it seems that they had been allowed to proceed without some of the control necessary for an advisory body, they became quite self-initiating on projects. I must confess that I was involved in some of those initiations myself. When the council was charged with the responsibility of looking at the Act, how it fit into it, it went through some considerable soul searching as to what it wanted to do and how it could react with Government.

I am kind of shocked the Minister would say that the minutes reflected frustration after having met with him, since in former years I recall that the only time that the council really had any reaction with the Department of Environment was after their annual meeting, when they would proceed to the Minister's office and provide him with briefs. That would be the end of it, we would then find out whether or not any part of that brief had been carried on. We might get a response to it someday, sometimes not.

I am encouraged that he is looking at using the council. I think that is a most important aspect of how that council should be used, since in theory it is to provide a sounding board and an access to network that will give the Minister forewarning of events rather than to provide some sort of, shall we say, an annoying kind of approach from the side. I do not think the Minister wants to be blind-sighted and he referred to that. I do not think we want the council to do that either. I think if we want to use the council in a very meaningful fashion, we have to develop that kind of relationship whereby they find that their role is very, very appreciated and that the council provides a very useful function.

It is in that particular aspect that I would like to just take a look. I know we have not been doing that in these series of Estimates to actually look very carefully on a line item in the Estimates book. There is one line I just wish to refer to, and that is with respect to the advisory bodies. It refers specifically to the Environmental Council and the Operating Expenditures of the council are defined for next the year at

\$13,800.00. There has been no change since last year on this, and if I recall from my experience now, I have not been involved as a board member or as an executive member for two or three years now. The last line I saw was something like 12.5 and it stayed that way for quite some period of time, too.

Although there are some costs which can be cut back on, there is one aspect to the council which I would like the Minister to consider, because I realize this becomes an executive decision, and he has to make a decision with respect to how he wishes to utilize the council and whether or not it deserves some sort of support. Again we do have to reference it back that when we talk support, obviously support has some dollars assigned to it.

Being a sounding board that should reflect the province as a whole, and correctly it should be expert advice, the council is involved in bringing in members from the North, from rural areas, and these all cover transportation costs, and often since this is a volunteer service, there is no stipend paid to members who do active service on the board.

The volunteer aspect should be, in my mind at least, recognized for what it is, rather than a person who is involved like this must feel that they are being punished by virtue of the fact that they are far away from the city. For several years, I know that the Environmental Council became a very urban-based council largely because only urban members could afford to come to meetings regularly. People from The Pas, people from Churchill found that the only time they could come to meetings was that they could piggyback on with some other kind of event.

* (1650)

It is just in the aspect of reaching out for advice now as a sounding board, as a means whereby you get forewarned rather than blind-sighted. I wonder if the Minister would at least philosophically consider the aspect of somehow working together with the council to try and bring in the rural advice that he requires. I am sure that urban advice is easy to come by, but the rural and northern areas with their distinct and unique problems require the same kind of profile that the urban areas have been providing.

Mr. Cummings: It is a problem that the council has brought up, as a matter of fact, on several occasions, that they would see themselves as receiving more funding for travel, that they would like to travel both ways.

As with everything else in Government, there is a constant demand for need for advice, because Governments can be seen to become remote very quickly. Ministers do not have all of the information or all of the wisdom that they should have or that they need to have. They have to seek advice from all areas and a cross-section of the society, but within the Government itself we have literally dozens and dozens of boards, some of which receive remuneration, some of which do not.

MEC would not be unique inasmuch as not getting operating costs or travel costs for membership,

inasmuch as there are lots of other boards within Government that do not. They are funded to the tune of two staff. The \$13,000 that is referred to are operating costs. They are additionally provided with free office space at the expense of the department, which, when totalled up, probably comes to at least the equivalent of half of another staff in terms of leasehold costs.

So, yes, the Member is correct inasmuch as you very easily become urban oriented or top heavy with urban advice, but I think it is also fair to say that we have encouraged other rural people. There is one lady who is on the executive, as a matter of fact, who is a rural member—the name eludes me at the moment—who I know finds some difficulty coming to the city, but nevertheless is committed enough to the work that she is doing, and she continues to do it.

Organizations, such as Keystone Agricultural Producers, send representatives, and I do not believe they receive reimbursement either from their own organization, but they could, if the organization deemed it to be important enough that they would reimburse their own member to be there. It is not my intention at this time to change the method or the amount to any extent that they receive for operations which would allow them to do the travelling that they are interested in.

One of the things that might well have to be considered is the size of the organization. They apparently took the opportunity to meet off Flin Flon—met out of the city at any rate and took a number of vans, buses out there and stayed one or two days, viewed a location. Frankly, when you view this in the light of all of the other requests that Government gets for conventions, for seminars, for training sessions, some of them within the department, some of them without provincial, national, and occasionally international requests, I am afraid, when viewed within that overall mix, that the expansion of support for them is not likely to happen, at least in this term.

Mr. Herold Driedger: I do not wish the Minister to misconstrue my remarks as to being an advocate just for this one particular group here. I no longer belong to the group. It is just that I think that, as he referenced, there are many, many kinds of advice that you can get. The danger here is to become urban oriented, but I really think that in order to utilize the Environmental Council correctly—I guess that is a value statement—to utilize the Manitoba Environmental Council differently involves a decision within the department, within the ministry, to decide which direction they wish to unleash this one particular agency that is available.

We hear many times that aspects of environmental impacts tend to be highlighted and to be publicized. Sometimes the reaction to something that may seem benign in one area tends to be viewed quite differently somewhere else. It is just a matter of how we intend to use this body that would determine whether or not it should be funded differently. I think that particular decision has to be made by whoever is Minister at the time.

I recognize also the limitation that if you were to unloose the bounds of where we would like to travel,

I think we could probably find justifiable reason to travel almost anywhere from here, simply because when the sage said travel is broadening, he did or she did mean that exactly. It is very informative and it does bring you into contact with many, many different ideas which you may find useful here within your own province.

With that particular department itself, there is an agency that could be utilized differently if the objectives were clearly defined and some of the parameters for control were clearly in place.

There is one last question with respect to the Environmental Council, so I can put it on the record. As part of The Environment Act, the MEC is being tied much closer to the Clean Environment Commission. Has there been any need to utilize members of the MEC to work with the CEC, or have such occurrences not yet actually presented themselves?

Mr. Cummings: Yes, I was just checking with the department. There does not seem to be any recollection of where a member has been appointed, but there is nothing to preclude a member of MEC becoming a member of the Clean Environment Commission. It is a matter of making an appointment.

If the Member is asking me if would I be prepared to suggest that a member of MEC should be one of the appointments to the commission, my answer would be, no, based on two things. Number one, there is nothing to stop the Environment Minister of the Day from appointing a member of MEC, but I would not want to tie my hands or the hands of any future Minister to the fact that he must appoint someone from MEC, because the commission is independent. This does not mean that they are in any way being rejected, nor is it meant as an affront to them. I think it is a recognition of the fact, however, that the commission can be seen to be open and independent.

I suspect the day will come when we will see a member of MEC as a member of council or a commission, but the two should not be linked by anything other than a possible interest that a member who is appointed to the commission might have. The other thing that I would indicate to that is in reference to whether or not the Environment Council gets enough province-wide input, I am sure that if they proceed along the manner in which they are, that they are looking to get more and more regional representation, and then those regions can report through the mechanism of their regular meetings and get the information in that way. In fact, their reports are written in that manner now.

I recall reading some regional reports to cover environmental issues in other parts of the province. It does not mean that you have to have 20 people from Dauphin drive to Winnipeg. A member of the commission, however, or the council, who has met with other council members in Dauphin, could then report, or they could choose to all meet in Portage or Brandon and have the travel split up so that it is not always in one direction.

* (1700)

Mr. Chairman: The hour being 5 p.m., it is time for Private Members' Hour.

Committee rise and call in the Speaker.

**IN SESSION
PRIVATE MEMBERS' BUSINESS**

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

COMMITTEE REPORT

Mr. William Chornopyski (Chairman of Committees): The Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again. I move, seconded by the Honourable Member for Seven Oaks (Mr. Minenko), that the report of the committee be received.

MOTION presented and carried.

**DEBATE ON SECOND READINGS
PUBLIC BILLS**

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

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

Is there leave that this matter remain standing in the name of the Honourable Minister of Natural Resources? (Agreed)

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

Mr. Speaker: On the proposed motion of the Honourable Member for Assiniboia (Mr. Mandrake), Bill No. 4, The Highway Traffic Amendment Act (2); Loi no 2 modifiant le Code de la route, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand.

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

**BILL NO. 10—THE BEVERAGE
CONTAINER ACT**

Mr. Speaker: On the proposed motion of the Honourable Member for Springfield (Mr. Roch), Bill No. 10, The Beverage Container Act; Loi sur les contenants de boissons, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand.

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

**BILL NO. 13—THE MANITOBA
INTERCULTURAL COUNCIL
AMENDMENT ACT**

Mr. Speaker: On the proposed motion of the Honourable Member for Selkirk (Mrs. Charles), Bill No.

13, The Manitoba Intercultural Council Amendment Act; Loi modifiant la Loi sur le Conseil interculturel du Manitoba, and the motion of the Honourable Member for Thompson (Mr. Ashton) that the question be now put, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand.

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

**BILL NO. 17—THE EMPLOYMENT
STANDARDS AMENDMENT ACT**

Mr. Speaker: On the proposed motion of the Honourable Member for Thompson (Mr. Ashton), Bill No. 17, The Employment Standards Amendment Act; Loi modifiant la Loi sur les normes d'emploi, standing in the name of the Honourable Member for Inkster (Mr. Lamoureux) who has 12 minutes remaining. Stand.

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

**BILL NO. 18—THE OZONE
LAYER PROTECTION ACT**

Mr. Speaker: On the proposed motion of the Honourable Member for The Pas (Mr. Harapiak), Bill No. 18, The Ozone Layer Protection Act; Loi sur la protection de la couche d'ozone, standing in the name of the Honourable Minister of Justice (Mr. McCrae). Stand.

Is there leave that this matter remain standing? (Agreed) The Honourable Member for La Verendrye.

An Honourable Member: Nice courthouse.

Mr. Helmut Pankratz (La Verendrye): Yes, thank you, that is a very nice courthouse that we are going to be receiving in the community of Steinbach, and it is long overdue. I would just like to make a few comments in regard to that courthouse.

We are very fortunate at this stage to receive that courthouse, because actually it was already scheduled to be built in 1981, but then naturally when the Government was defeated at that point in time, the new Government of the Day, at that time the NDP Government, saw fit to cancel the whole agreement. Naturally the court facilities had to stay in their present form, which was inadequate for doing justice to the people who were brought to trial in the community.

I want to take this opportunity to thank the Honourable Attorney General (Mr. McCrae) for seeing the need for the community to have new facilities.

I would now like to, if I may -(interjection)- Mr. Speaker, the Member for The Pas (Mr. Harapiak) who brought forward this Bill, The Ozone Layer Protection Act—I do want to compliment the Member for The Pas for bringing forward this Bill, even though I must say I believe the Minister of the Environment (Mr. Cummings), the Member for Ste Rose, has brought forward Bill No. 83, The Ozone Depletion Substance Act. I will be supporting that Bill and I will naturally

not be supporting this one, even though this Bill has some very good points in it, and I believe it is a matter of duplication in some cases.

In that respect I believe the Bill the Minister of the Environment (Mr. Cummings) has brought forward, Bill No. 83, will cover the points the Member for The Pas (Mr. Harapiak) is bringing forward in this Bill, plus it will add something to it.

Mr. Speaker, the ozone layer, which is virtually a distributed layer of gases, is approximately 10 kilometres in thickness—

An Honourable Member: Check that yourself. Members are supposed to verify the facts, personally checked.

Mr. Pankratz: Well, Mr. Speaker, I am the type of person who believes in qualified and professional people and also, in a lot of cases, in their advice. At the same time we sometimes have to use our own judgment, but in this case I believe there is quite a bit of truth in this ozone layer, it is depleting, and we are using different kinds of products which possibly should be banned in usage so this process of depletion would possibly go at a slower rate.

Mr. Speaker, when this ozone layer is being depleted—and basically it allows more of the ultraviolet rays, or light, to reach the earth's surface—this radiation can cause skin cancer, we have been told. It reduces the resistance to infection and has other detrimental environmental effects.

We have also been told that the chief cause of this depletion of the ozone layer is the emission of chlorofluorocarbons, which are called CFCs. These are used in spray cans, refrigeration systems, foam manufacturing, and I am also under the impression that certain nitrogen compounds also contain some of these CFCs.

We have also been told that Canada has signed an agreement apparently with other countries that by the year 1999 they want to reduce the CFC usage by 50 percent

Some Honourable Member: Good Idea.

Mr. Pankratz: Yes, I must agree, that it is a very good idea, but we must also realize that Canada as a whole makes use of only about 2 percent of the CFCs that are being used at the present in the world; Manitoba again only approximately 2 percent. So with that, I think it is very important that we take steps necessary in order to possibly ban some of these usages of CFCs.

I believe that the Minister of the Environment (Mr. Cummings) has begun by entertaining Bill 83 which will actually in essence reduce the usage of CFCs in Manitoba by 1990. The Minister of the Environment also in his Bill 83, where corporations could be fined up to one million dollars for violating this legislation. The size of these fines shows just how serious this Government and this Minister are in respect to the depletion of the ozones.

An Honourable Member: What are the fines? Up to a million dollars?

Mr. Pankratz: Mr. Speaker these fines are up to a million dollars.

Effective 1990, the following products and services will be banned: packaging, wrapping and containers made with ozone depleting substances; aerosol propellants using ozone depleting substances, except in prescription drugs; one kilogram CFC canisters used to recharge automobile air conditioners; domestic halogen fire extinguishers; portable pressurized canisters of CFCs used as a solvent or release agent.

* (1710)

In addition, CFCs in commercial size air conditioners and refrigeration units must be recovered and recycled when they are serviced, beginning in 1991. That is another good step forward. Because of the price of certain commodities, we are not recycling certain commodities. I believe, regardless of price, some of these commodities that are detrimental to the environment should be recycled regardless almost at what cost. I believe this is definitely a step in the right direction and I want to compliment the Minister of the Environment (Mr. Cummings) for bringing forward such stiff and harsh legislation. I would hope to see, though, Mr. Speaker, that we will see more provinces following suit and eventually some of this could become worldwide.

Mr. Speaker, I will not go ahead and say too much more in this regard but I believe that Bill 18 should be withdrawn by the Member for The Pas (Mr. Harapiak) because Bill 83, which the Minister of the Environment (Mr. Cummings) is bringing forward is a good Bill and I think that is the Bill that takes care of everything. I think Bill 83 is one which is something that everybody can support, and with that I would wish that the Member for The Pas would withdraw his Bill and support Bill 83. Thank you.

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I would like to take this opportunity to offer a few comments on Bill 18. The issue of the ozone layer and the CFC contribution to the destruction of the ozone layer is an issue that is a relatively recent phenomenon, unfortunately, because the use of CFCs was a substantial use up until the last very short number of months even, and it was done without malice because I do not think anybody had any concept as to what environmental impact would result from the use of CFCs.

Now that we know I think that it is our responsibility, as legislators, to attempt to change the usage patterns of CFCs and other ozone depleting substances. Let me tell you that this is a topic, Mr. Speaker, that, as my colleague the MLA for Steinbach has indicated, is very much a health-related topic because environmental issues more and more are becoming issues of health care because, if we find ourselves in the unfortunate circumstances of environmental degradation, often they have the resulting effect on human beings of ill health.

Now, Mr. Speaker, my honourable friend the MLA for Steinbach has indicated that the depletion of the ozone layer inhibits the screening effect of the

Tuesday, December 5, 1989

atmosphere and subsequent potential incidence and increase of skin cancer as one of the medical outcomes of this environmental problem. So it very much becomes a health issue.

I predict, Mr. Speaker, that over the next number of months and certainly before the middle of the next century, -(interjection)- Mr. Speaker, my honourable friend from Dauphin (Mr. Plohman) is chattering from his seat and he does not appreciate the seriousness of legislation that is proposed by his own Member. I know that he does not want me to say that but I have no other conclusion to make than that when he chatters from his seat.

An Honourable Member: You better clarify it or I will do it by point of order. Do you want to straighten it out right now. I am concerned about the depletion of the ozone layer. Say it before I break out laughing.

Mr. Orchard: Mr. Speaker, my honourable friend, the Member for Dauphin (Mr. Plohman) says that he is concerned about the depletion of the ozone layer. I am concerned about the Member for Dauphin's depletion of intellectual capacity as demonstrated from his chipping from the seat.

But, Mr. Speaker, the issue of the ozone layer and the harmful effects of CFCs is very much an issue that our children understand, and I give you but one small example of how this issue is very much one that children and the youth of our nation understand. I use, as an example, my own daughter who is going through the teens, and is into the hairsprays, because that is important as a young teenager going to school every day. But my daughter insists that there are no propellant hairsprays, that they only are spray-on because she understands, from discussions with the teachers at school and her classmates, that any of the potential propellant-driven hairsprays may contain CFCs, and she does not want to be part of that. I mean, that is a fairly significant attitude of youth because one would not expect young teens to be concerned about the environment when their hair care is involved, but they are, and I think that is a very positive sign.

That is why I say, with sincerity, that I appreciate the Member for The Pas' (Mr. Harapiak) efforts at bringing this legislation before the House in Private Members' Hour. I do have to, however, be somewhat critical of my honourable friend from The Pas because, as I have said before, when it comes to issues of environment and the NDP, the NDP were great in having all of the buzz words, all of the phraseology in the environment that would give an attempted portrayal that they were the Party of the environment when they were in Government, but unfortunately the experience of the NDP, after seven years of Government under Howard Pawley, is one of failed performance, period. Because the issues of CFCs have been before Government for a number of years and it only took opposition for the Member for The Pas (Mr. Harapiak) to bring forward legislation.

The Member for The Pas, who was a Member of Government and a Cabinet Minister, could have brought this legislation forward two years ago when they were

in Government, but that was not the case. The NDP are the new-found environmentalists from Opposition but, as I said consistently, that environmental groups across this country have rated the NDP Government of Manitoba as dead last in terms of delivering on environmental concerns.

They will not make that analysis of this Government because within one short year of being Government my colleague, the Minister of the Environment (Mr. Cummings), has brought in Bill 83 to deal with ozone depleting substances, an issue that this province, this Legislature, wants to come to grips with. Mr. Speaker, there are some significant differences in the legislation as proposed by Government in Bill 83 and the one proposed by the Opposition.

Now, normally one would expect that Opposition Members can make the most radical proposals, if you will, in Private Members' Hour, in Private Members' legislation because the likelihood of it becoming law is not great and, therefore, you can appeal to the environmental movement by making significant finds part of your legislation knowing that as a Private Member it is likely not to be passed.

But, Mr. Speaker, Bill 18 contains maximum fines of up to \$100,000 for a corporation on the first offence. That is not a serious effort at containing the problem. The Bill 83, the Government Bill, takes a much higher profile on the issue of corporations being in contravention of this Act in that a \$500,000 fine is proposed. That is serious intent of Government, serious intent of Government.

You would expect that from an Opposition Member and Private Members, particularly an Opposition Member from the NDP who has all of the right phraseology in environmental issues, but does not deliver. They cannot even deliver from Opposition and in Private Members' Hour on the issue of bringing in legislation that will effectively contain the use of ozone depleting substances.

Now, Mr. Speaker, I want to reinforce that this Act is a guideline to come to grips with the issue and I think it has some very positive benefits to Manitobans but, more importantly, signals positive leadership to the rest of Canada and indeed the world, in terms of what we are prepared to do with the issue of chlorofluorocarbons and other ozone depleting substances.

But, Mr. Speaker, I simply offer to my honourable friends a next challenge that comes from this issue. Every single refrigerator and car—well, I should not say every single because there is attempted to be some changes—but most refrigerators, most refrigeration systems and most automobiles contain CFCs in their current refrigeration systems. We have to come to grips with the ability during servicing and replacement of those to collect and store, for destruction, those already in service CFCs that are part of automobiles, refrigerators, refrigeration systems.

* (1720)

When you start to think about the number of applications and the number of potential sources there

are, they are almost mind boggling because they range from commercial refrigeration plants in fish freezing plants in Manitoba to major air conditioning services in buildings inclusive of the two air conditioning units that are in this Chamber. There are many steps to be taken in this issue of attaining some environmentally sound legislation to deal with the issue of CFCs and depletion of the ozone layer.

This Bill proposed by the Member for The Pas (Mr. Harapiak) is a good effort from Opposition. The delivery by this Government of Bill No. 83 truly meets the needs and will entirely replace the necessity of Bill No. 18 with better legislation, more effective legislation, demonstrating Government's commitment to removing CFCs from the commercial activities of the Province of Manitoba.

Mr. Speaker, I support the concept as envisioned in Bill No. 18, but I would, with all due respect to the Honourable Member for The Pas, suggest to him that he ought to consider withdrawing his legislation and supporting immediate passage of Bill No. 83 which is more effective legislation, which is legislation with teeth, legislation that will work, legislation that will be good for the Province of Manitoba.

Mr. Speaker, I close with those few remarks and encouragement to the Member for The Pas (Mr. Harapiak).

Mr. Steve Ashton (Thompson): I move, seconded by the Member for Dauphin (Mr. Plohman), that debate be adjourned.

Mr. Speaker: As previously agreed, this matter will remain standing in the name of the Honourable Minister of Justice (Mr. McCrae).

BILL NO. 20—THE MUNICIPAL ASSESSMENT AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Member for Sturgeon Creek (Mrs. Yeo), Bill No. 20, The Municipal Assessment Amendment Act; Loi modifiant la Loi sur l'évaluation municipale, standing in the name of the Honourable Minister of Highways and Transportation (Mr. Albert Driedger). Stand.

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

BILL NO. 21—THE UNFAIR BUSINESS PRACTICES ACT

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 21, The Unfair Business Practices Act; Loi sur les pratiques commerciales déloyales, standing in the name of the Honourable Minister of Justice (Mr. McCrae) and the Honourable Member for Transcona (Mr. Kozak), who has 10 minutes remaining.

Is there leave that this matter remain standing in the name of the Honourable Minister of Justice? (Agreed) The Honourable Member for Transcona, with 10 minutes remaining.

Mr. Richard Kozak (Transcona): Thank you, Mr. Speaker, I would like as briefly as possible to conclude my remarks on Bill No. 21, The Unfair Business Practices Act, that was placed on our Order Paper by the Honourable Member for Elmwood (Mr. Maloway).

I would remind the House that in the first five minutes of my remarks I levelled a rather scathing attack against the approach of the Honourable Member for Elmwood toward achieving social change in this House.

Mr. Speaker, we have in this province a minority Government. There is an opportunity for Honourable Members to accomplish their objectives through negotiation with their colleagues in this House. There is an opportunity for Honourable Members to accomplish their objectives with regard to social reform.

We have seen a number of occasions over the last year and a half where reasonable accommodations in fact have been achieved as a result of forthright discussion among the three Parties on Bills we all agree have some measure of merit. Bill No. 21 is one of those Bills that does have some measure of merit, Mr. Speaker. I would be the first to acknowledge that and my Party joins me in acknowledging that. However, as we saw early on in this Session, the Honourable Member for Elmwood (Mr. Maloway) ignored reasonable comments that were placed on the record by Members of my Party and Members of Government with regard to satisfying our objections to certain elements of this Bill.

Earlier this year, unfortunately, we found the Honourable Member for Elmwood, despite the fine motivation behind this Bill, completely ignored the suggestions put forward by myself and my Party, suggestions into which a good deal of thought had gone, Mr. Speaker, I assure you.

I spent the first five minutes of my remarks in a somewhat harsh way chastising my good friend, the Honourable Member for Elmwood, despite the genuine respect I have for the motivation that underlies this Bill.

To benefit the Honourable Member for Elmwood I thought it might be desirable, Mr. Speaker, to conclude my time this afternoon by reviewing some of the remarks I placed on the record on October 13, 1988, which continue to be absolutely relevant to my approach to this Bill and my Party's approach to this Bill. I would hope the Honourable Member would read my remarks, or listen to them with greater care than he did last October.

The function of the Department of Consumer and Corporate Affairs we acknowledge is to protect the citizens of Manitoba from abuse by the private sector. However, we should recognize that in a free society the individual must to some degree take responsibility for his or her own fate.

Thus the Liberal Party in Manitoba believes that the Department of Consumer and Corporate Affairs should not smother free enterprise through over-regulation. Instead the department should play a greater educational role in making the public more aware, thus allowing the public to make more informed choices.

Having stated this general principle, Mr. Speaker, I hasten to add that I have no sympathy with the use of false or misleading representations as the basis for any commercial transactions.

I join the Honourable Member for Elmwood (Mr. Maloway) in condemning in the strongest language, exaggerated claims regarding quality or performance, lowball estimates of cost, quotation of a partial price rather than the total price, and misrepresentations regarding availability. I have no objections to the Member's suggestion that this House provide a redress mechanism for the elderly, the incompetent, and persons with disabilities.

However, Mr. Speaker, the Member for Elmwood and I part company on several points. I note that the Member proposes sanctions on suppliers who make a misleading statement of opinion. Opinions are not facts. I am myself at a loss to suggest an objective standard whereby an opinion is deemed misleading.

* (1730)

Bill No. 21 also suggests placing an onus on the supplier to determine that the consumer is able to pay. The supplier cannot force the consumer to give proof of his resources. He cannot always run a security check. He may be forced to judge the ability to pay largely on appearance. This strikes me, Mr. Speaker, as discriminatory and could indeed imply human rights violations, I say to my friend the Member for Elmwood (Mr. Maloway).

An Honourable Member: The same speech as last year.

Mr. Kozak: The Member for Elmwood, my friend chirps from his seat, and he indicates I am making a speech rather similar to the one I made on last October 13, 1988.

I really regret that my friend has ignored the first 10 minutes of this particular set of remarks in which I chastised him for placing on the Order Paper a Bill that was identical to the one he submitted last year without having paid any attention at all to the constructive suggestions I placed on the record last October 13. I feel, Mr. Speaker, this Honourable Member needs to be reminded of the comments that were made last year.

Mr. Speaker, a conscientious supplier determined to respect human rights could well find himself facing a substantial increase in administrative costs. I hardly need suggest this would almost certainly lead to price inflation that would not serve consumers' interests. Regrettably Bill No. 21 ventures further into stormy waters. Having offered protection to the elderly, the incompetent, and persons with disabilities, the Bill treats all consumers as being unable to act in their own self-interest.

Mr. Speaker, a competent individual educated to be an informed consumer, as we in the Liberal Party suggest, should be able to evaluate the benefits and affordability of a purchase. We do not dispute the

rightful place in our laws of reasonable rights of withdrawal and rescission but we are not prepared to discard the concept of the smart consumer, an ideal which we believe most Manitobans can obtain.

In conclusion, Mr. Speaker, and I understand I have only five minutes remaining. I have expressed concern in this House about the competitiveness of Manitoba's system of taxes and regulations vis-a-vis other provinces. My concern in this respect is not minor and is well documented in Hansard. As a general rule, I favour lightening the burden on both business and the individual taxpayer so living and doing business in Manitoba will over time become more of an economically sound proposition.

Here and now I ask the Honourable Member for Elmwood (Mr. Maloway) to agree that action which might be deemed as unfriendly to business or the individual is not presently an economically sound proposition. I ask him to keep an open mind during committee consideration which we are willing to have this Bill proceed to. As I have stated, this Bill offers Members of this House the opportunity to take some positive measures on behalf of consumers. I urge all Members of this House, the Members of all three Parties, to advance to committee consideration with that in mind. Thank you, very much, Mr. Speaker.

Mr. Speaker: As previously agreed, this matter will remain standing in the name of the Honourable Minister of Justice (Mr. McCrae).

BILL NO. 22—THE CONSUMER PROTECTION AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 22, The Consumer Protection Amendment Act; Loi modifiant la Loi sur la protection du consommateur, standing in the name of the Honourable Minister of Housing (Mr. Ducharme). Stand.

Is there leave that this matter remain standing in the name of the Honourable Minister of Housing (Mr. Ducharme)? (Agreed)

BILL NO. 23—THE CONSUMER PROTECTION AMENDMENT ACT (2)

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 23, The Consumer Protection Amendment Act (2); Loi no 2 modifiant la Loi sur la protection du consommateur, standing in the name of the Honourable Minister of Justice (Mr. McCrae). Stand.

Is there leave that this matter remain standing in the name of the Honourable Minister of Justice (Mr. McCrae)? (Agreed)

**BILL NO. 24—THE BUSINESS NAMES
REGISTRATION AMENDMENT ACT**

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 24, The Business Names Registration Amendment Act, Loi modifiant la Loi sur l'enregistrement des noms commerciaux, standing in the name of the Honourable Minister of Northern and Native Affairs (Mr. Downey), Stand.

Is there leave that this matter remain standing in the name of the Honourable Minister of Northern and Native Affairs (Mr. Downey)? (Agreed) The Honourable Member for Seven Oaks.

Mr. Mark Minenko (Seven Oaks): Thank you very much, Mr. Speaker. Again I welcome an opportunity to participate in the debate of the Legislature, discussing many of the Bills that will indeed impact on us all and the constituents that we represent. I think this is an important function or certainly one of the important functions of Members of the Legislature to address various legislation appearing before us in that indeed it provides an opportunity for all Members on all sides of the House, and especially the sponsors of various legislation, to consider the remarks of various Members and consider them and look to the benefit of that council to perhaps improve the legislation we have before us.

I certainly look to various Members of this Chamber to provide me with advice with a matter that I have presented before the Legislature and appears on the Order Paper, and I look forward to the participation of Members.

Again, I would like to follow up on the remarks of my colleague, the Member for Transcona (Mr. Kozak), where he addresses the desire of the Member for Elmwood (Mr. Maloway) to carry on a certain legislative package that was presumably begun by the previous administration but seemingly never reached the floor—it never was presented or never became legislation—but again I congratulate him.

I think on this Bill as well, this piece of legislation the Member presented was presented in the first Session of the 34th Legislature and I would certainly have hoped the Member for Elmwood (Mr. Maloway) would have considered the remarks of Honourable Members of this House and perhaps even redrafted the legislation. I guess the Member chose not to listen and understand our counsel and carried on with it.

Mr. Speaker, I think we all recognize that small business in Manitoba has in fact had a very large and important role to play in the Province of Manitoba. We all understand and realize and appreciate that small businesses in this province provide quite a bit of employment for Manitobans. Every day, every week, every month, every year, tens and hundreds of new companies, new small business, are started, businesses from the local corner store to business manufacturing an item the individual who started up the business invented or came upon and has felt that he was addressing a particular need.

When I use the male gender I certainly do not exclude the important role women entrepreneurs have in the

Province of Manitoba. Just a few short days ago in addressing Bill No. 34, The Loan Act, I pointed out some of the studies that have been recently completed about the importance of women entrepreneurs in Manitoba and that they are increasingly becoming more and more prevalent and becoming much more important in our society.

I do not think we need to neglect, and I certainly appreciate the Government House Leader (Mr. McCrae), as a representative of his Government put on the agenda of this Government, of this Legislature for debate and consideration by the Chamber and Members of the Legislature Bill No. 34 as the first matter on the agenda last Thursday.

* (1740)

In the several weeks before that, it seemed from the Government's record that they did not really consider it that important to be debated. Yet when people were calling the offices of the Minister of Industry, Trade and Tourism (Mr. Ernst), they were told that the reason why the Business Start Program which forms part of The Loan Act, Bill No. 34 has not been put into place is because the Opposition was holding it up.

I think the Government has appreciated that perhaps they have delayed for whatever reason—and I would certainly welcome the remarks of any Member of the Government to speak and to perhaps explain to Manitobans as to what exactly the reason is for the delay—for the delay of five months of introducing The Loan Act, for the delay of five months of not putting into place, or not even bringing forth to the Legislature to consider the Business Start Program. I think this is a serious problem, and certainly I appreciate the Government putting it first on their list on the agenda because what we have seen over the last year or so is that this province is being ravaged both by the federal Government's actions and the loss of employment here.

We all have recognized that the loss of employment is happening and we certainly need to encourage small business people to start up businesses and to hire the people that are perhaps losing jobs that were otherwise here in Manitoba. Again, by allowing the opportunity for people for starting up businesses to open up that office, to open up that shop that they were considering, because ultimately many a small business grows larger from one or two employees, from the family being employed in the location who perhaps have almost spent a lifetime—and I understand a number of friends of mine whose parents did have a small business—a small shop—indeed spent many an hour after school, spent many an hour during summer holidays, during winter break from school, working side by side with their parents to ensure that that small business will continue being a viable operation.

I think we should acknowledge the toil of those people. I think too often we, in the Legislature, take small business people for granted. I certainly would call upon our friends to the left and our friends to the right to look to the Bill No. 34, The Loan Act, and bring it on to committee so again it be considered in committee and ultimately passed in this Legislature so

we can put that program in place because the Business Start Program is indeed important, especially with its orientation towards encouraging women entrepreneurs and rural Manitobans.

One of these small businesses, Mr. Speaker, that started as a small business and slowly has grown is Brick's Fine Furniture. They, over many years of toil and sweat, have built up a business encompassing quite a bit of floor space. I have an opportunity in the past visited their business and indeed it is a viable business—a continuing business. Even with the emphasis today on big business—on bigger is best—I do not think they at Brick's Fine Furniture and many of us here in the Legislature, believe that. We certainly, in the Liberal Party, feel that small business has always had and will continue to have an important role to play in our society in the provision of jobs and many other aspects contributing to the economic benefit of our society and our province. So oftentimes big is not best.

What we have seen happening is, for example, many corner stores in many of our constituencies are being affected by the movement to bigger stores. I understand that many of the communities that Members in this Legislature outside the City of Winnipeg are indeed affected by bigness. Many of the businesses throughout southern, and western, and northern, and eastern Manitoba, in small towns, businesses are closing up—closing their doors—because people from the surrounding area who used to frequent those shops now choose to shop at a bigger town that has bigger stores.

I think that is of concern, not only to the Members who represent those areas and see the impact that has on their constituents, but certainly to the Members on this side of the House as well. So when I speak to the Legislature, Mr. Speaker, I speak to it not just dealing with the specifics of this situation, but the possible impact that big businesses have on small businesses. Big businesses have greater opportunity to hire legal counsel, greater opportunity to hire accountants and many of the other people that smaller business may not be able to allow themselves to hire.

One of the things that I have been doing as the Industry and Trade Critic for the Liberal Caucus, Mr. Speaker, is that I have been going out and visiting businesses in Manitoba. When I give them a call and say my name is Mark Minenko, I introduce myself, and tell them that I am interested in meeting with them and listening to their concerns, they are surprised and they are taken aback because it is not very often that a politician is prepared to leave the confines of this building and speak to people. I think that this is important, not only to speak to businesses as I have been doing over the last several months, but also speaking to my constituents because, again, that contact is important.

I think, Mr. Speaker, that I would certainly like to see the Government and the Minister of Justice (Mr. McCrae) and the Minister responsible for the Corporations Branch look at this matter again because I believe, as a barrister and solicitor in this province and having reviewed some of the legislation, that there are vehicles in place for this Government to deal with the particular

problem that the Member for Elmwood's (Mr. Maloway) Bill attempts to address. I am indeed encouraged to see that all Honourable Members in the Chamber are considering these remarks because it is only through a co-operative effort that we can indeed make Manitoba a better place to be and a better place to live in.

I think, Mr. Speaker, that although the existing Section 20(2) does not specifically state that the court may order the business to cease and desist from carrying on business, we believe that this particular section of the present legislation does empower the court to order the corporation comply with the provisions of the Act and that the court has the inherent jurisdiction to enforce its own orders. So I would ask the Member, perhaps for the next legislative Session, to review this particular aspect again and consider our remarks here today (interjection) and perhaps, as some Members of the Chamber indicate that he may not be here in the next Legislature, but if this Legislature continues on and there is a third Session, then perhaps the Member would have another opportunity to review this situation.

I believe that most of the problem is indeed at the federal level, and that there certainly should be a formal clarification as to what exactly are the rights and responsibilities of various parties. Certainly, I think, the Government should speak a little bit directly to their federal counterparts and look to the federal problem that caused this existing problem for Brick's Fine Furniture in allowing the one company to register a name similar, and one arm not knowing what the other arm is doing. Oftentimes, matters appearing before us are a result of exactly this sort of problem.

So, although we can understand the motivation of this Member, and I certainly hope it was not political motivation, but an honest attempt to address a particular problem, we think that indeed the Government, if it had the will—and it is always the underlying factor in matters like this, Mr. Speaker, is if the Government did indeed have a will—they do have at their disposal various instruments to deal with this particular problem, and I would certainly hope that the Minister responsible can call upon his federal counterpart in a better fashion than some of his other Members of the Cabinet have been unable to do to address this problem and assist this small business to continue its operation.

Mr. Speaker: As previously agreed, this matter will remain standing in the name of the Honourable Minister of Northern and Native Affairs (Mr. Downey). The Honourable Member for Niakwa.

Mr. Herold Driedger (Niakwa): I am glad to have this opportunity to also put some words on the record with respect to this Bill, the Bill that was introduced by the Member for Elmwood (Mr. Maloway).

The central thrust of this Bill deals with a name, a choice of a name, and I think it behooves us well if we reflect a little on what names mean. Names, to us, to individuals, for us in our society, tend to be quite definitive. We know we have a family name and we have a given name, and when we share with our friends

Tuesday, December 5, 1989

the opportunity to know them better and to give them the right to be familiar with us we give them the opportunity, we give them the right to call us by our given name.

At other places where we are a little bit more formal we use the family name, and this is what follows us and this is how we are identified, and we guard this very, very well. How often can you remember, when you are introduced to somebody, you give you name and the person takes a bit of time to reflect and, did I get your name correctly, because no one likes to have their name misused, mispronounced or, heaven forbid, forgotten.

In older times people did not even give out their given name for fear that this would give—and in those days we would take a little bit different view of the supernatural—but for fear that giving away your given name would give some supernatural spirits, or some people who had contact with the supernatural, influence over you in the spells they might cast because only your given name would go into the cauldron.

But when it comes to businesses, and choice of names, I think we should also reflect that hereto there is just as much importance to be given to the name as in any other walk of life. As important a thing as talking to an individual, or to a newborn baby, or talking to a parent who look at their newborn baby and decide what kind of name they must give. If I recall, one of the larger corporate entities we have on this planet, when it was going through an identity crisis and decided it had to seek out a name for itself. I believe they used to be called Imperial Oil Limited, familiarly known here in Canada as Esso, worldwide as Esso. They decided to keep the term Esso here in Canada, but for some reason because of a better corporate image or a different kind of image that they wish to portray, they decided to seek a different name that they were going to display to the rest of the world, they were going to rename themselves.

Well, Mr. Speaker, what did they do? Did they just simply go into a telephone book and run their fingers down a list and say, that name? No. Did they choose perhaps to cast about and ask individuals to come forward with a name and say, well what should we call ourselves?

An Honourable Member: They called their Member of Parliament.

Mr. Harold Driedger: No, they did not use that avenue either. They actually conducted a computer search and in that computer search they went through, not looking for so much as a name, but for some syllables they could put together that would give a correct image, but would not offend any single culture, any single religion, any single special interest group. They did not choose to offend anyone, they did not wish to cause anybody any concern over their choice of their name.

Well, we all know what the upshot of that was. I think when we first saw this name emblazoned on a sign, or in Time magazine where I first came across it, Exxon was the name they put on for all to see. You know, that is one word, one name that has no parallel anywhere. It is not offensive in any language, it does not offend, it does not hurt, it does not come down on anybody, and that, Mr. Speaker, is the type of name search a responsible corporate entity should undertake to do whenever it chooses to come into a business.

When push comes to shove every single business enterprise anywhere came out from the idea of an individual that came through, that became developed out of perhaps one or two people coming together to share an expertise, to share an idea, to do something, to create wealth for themselves and others while they were creating wealth for themselves.

Small business is the bottom line and no business entity anywhere, anytime, can ever come across and deny this if they did not start out any other way but as small businesses, and that is where all business started. If we hearken back to my first comments when I talked about the importance of a name, a given name, and the family name; small businesses when they started did very much the same thing, they took on a family name, they took on a given name of individuals involved in the entity, they put together their collective desires, their collective aims, their collective goals and started business.

Mr. Speaker: Order, please. When this matter is again before the House, the Honourable Member will have eight minutes remaining.

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