



First Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

39 Elizabeth II

*Published under the
authority of
The Honourable Denis C. Rocan
Speaker*



VOL. XXXIX No. 27B - 8 p.m., MONDAY, NOVEMBER 19, 1990



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

| NAME | CONSTITUENCY | PARTY |
|----------------------------|--------------------|---------|
| ALCOCK, Reg | Osborne | Liberal |
| ASHTON, Steve | Thompson | NDP |
| BARRETT, Becky | Wellington | NDP |
| CARR, James | Crescentwood | Liberal |
| CARSTAIRS, Sharon | River Heights | Liberal |
| CERILLI, Marianne | Radisson | NDP |
| CHEEMA, Gulzar | The Maples | Liberal |
| CHOMIAK, Dave | Kildonan | NDP |
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| CUMMINGS, Glen, Hon. | Ste. Rose | PC |
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| FRIESEN, Jean | Wolseley | NDP |
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| McINTOSH, Linda | Assiniboia | PC |
| MITCHELSON, Bonnie, Hon. | River East | PC |
| NEUFELD, Harold, Hon. | Rossmere | PC |
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| WASYLYCIA-LEIS, Judy | St. Johns | NDP |
| WOWCHUK, Rosann | Swan River | NDP |

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, November 19, 1990

The House met at 8 p.m.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY—URBAN AFFAIRS

Mr. Deputy Chairman (Marcel Laurendeau): Will the Committee of Supply please come to order. This evening, this section of the Committee of Supply meeting in Room 255 will be considering the Estimates of the Department of Urban Affairs.

Does the Honourable Minister of Urban Affairs have an opening statement?

Hon. Gerald Ducharme (Minister of Urban Affairs): Yes, I do, Mr. Deputy Chairperson.

Mr. Deputy Chairman: You have the floor.

Mr. Ducharme: Mr. Deputy Chairperson, I am very pleased to introduce the 1990-91 Estimates for Manitoba Urban Affairs. I am now into my third year as Minister of Urban Affairs and look forward to the continuing role my department will be playing during the 1990s. We will continue to improve the legislative, financial and planning framework for urban Government in Winnipeg.

No level of Government can operate effectively in isolation from the others. Many public issues require the combined efforts of more than one level of Government. The current partnership between the City of Winnipeg and the Province of Manitoba is characterized by co-operation, co-ordination and joint action when necessary.

The partnership between the province and city strikes a balance between the local autonomy for the city on the one hand and the advancement of provincial interests and responsibilities on the other. Sometimes we disagree. Most of the time we compromise and act.

Manitoba Urban Affairs is the vocal point for intergovernmental relations between the city and the province. This includes developing and co-ordinating provincial policies that address major urban issues. We administer financial assistance to the City of Winnipeg and prepare legislative changes to The City of Winnipeg Act, change that would hopefully lead to more effective urban

Government. We negotiate and implement the intergovernmental agreements and programs designed to improve the living conditions of our urban citizens.

The City of Winnipeg Act is in the process of complete review by my department. In the last year, we have introduced legislation which strengthens the role and authority of the mayor. Other provisions provided the city with greater flexibility and established its own administrative structure and procedures. If the city is unhappy with the way the Board of Commissioners is functioning, it has full legislative powers to change it.

Lastly, we saw the abolishment of the additional zone. All municipalities in the Winnipeg region are now treated as equals.

In the next Session of the Legislature, I propose to introduce other substantive amendments to The City of Winnipeg Act, particularly in the area of waterways and land use planning.

With respect to provincial grant support, I am again able to report an increase in the level of the total provincial grants provided to the City of Winnipeg by my department, and \$90 million available to the City of Winnipeg under the six-year urban capital projects allocation is fully committed as of 1990. This initiative has been successful. It has allowed the city to plan its capital expenditures with prior knowledge of what the provincial commitment is.

My department is currently preparing a provincial urban finance strategy respecting the City of Winnipeg. A significant component of this strategy is for the renewed urban capital projects allocation. My department is also responsible for the success and the implementation of the renewed Core Area Initiative Agreement. This agreement is now into its fifth year, and there continues to be a steady level of activity.

My department is implementing the Community Service Facilities Program and has approved in excess of 100 projects to date. This fiscal year will see further development of the Core Area Initiative with the Portage Place Y, Pantages Playhouse Theatre and a number of other important projects.

The redevelopment of The Forks will be complemented by activities undertaken by the riverbank enhancement program, including a planned promenade that runs from The Forks to the Legislative grounds. Recently, I met with my federal and city colleagues to discuss extending this agreement by one year. As a renewed Core Area Initiative begins to wind down, there are some critical problems outstanding in Winnipeg's inner city as well as in the older suburban neighbourhoods. These problems include Main Street, preservation of older suburban areas, the needs of our urban Native population and infrastructure renewal. My Department is developing an urban revitalization strategy to address these outstanding problems and provide a basis for future urban revitalization initiatives in Winnipeg.

* (2005)

My department is also involved with the City of Winnipeg and the Headingley community to find a workable alternative to the community's request for a referendum on secession from the City of Winnipeg. The working committee has identified a strategy that may address the community's concerns as part of the City of Winnipeg. I am monitoring that strategy that was endorsed by City Council and by the Headingley Taxpayers' Association. The Winnipeg Region Committee was established by my department in August of 1989. We want Winnipeg and its neighbours to understand each other's aspirations much better than they have in the past. We want them to work together, resolving regional issues and concerns and implementing their solutions.

I want to express my appreciation to a very competent and productive staff of 19 in my department, who have served this Government very well. I am satisfied that careful planning and budgeting continues to ensure that the Department of Urban Affairs achieves its mandate in an efficient and effective manner.

Mr. Deputy Chairman, that concludes my opening remarks. I would be pleased to provide any additional information or answer questions concerning the resolutions of the Estimates.

Mr. Deputy Chairman: We thank the Honourable Minister of Urban Affairs for those comments. Does the critic from the official Opposition Party, the Honourable Member for Wolseley, have any opening comment?

Ms. Jean Friesen (Wolseley): Urban Affairs is a small department, 19 staff, but it does have a considerable impact on 60 percent of the population of Manitoba. Particularly in its planning responsibilities and its planning capacities, I think it has the potential for a very large impact on urban issues in the Province of Manitoba. Through The Forks Renewal Corporation, the North Portage Development, the Core Area Initiative and the proposed Riverbank Corporation, it also has considerable impact, a very dominant impact, on the development of downtown Winnipeg. So it is an important but certainly a small department.

I think we see, on our side of the House, Winnipeg at a crossroads, and I think that is true for many people in Winnipeg. I do not think that it is just people of our political persuasion. I think part of this is reflected in the tendency throughout the world, in a global sense, that the world is moving to a series of city-states. I think one of the big issues is whether Winnipeg, in fact, is going to be in this game at all, whether it is going to be in this league.

In Canada, we have had increasing urbanization, in fact, probably much longer than we really recognize, since the 1870s. Since the 1960-1970s, I think what we have seen is Winnipeg consistently losing ground, particularly to Alberta, and even in the last two or three years, to Alberta, I think, through internal migration and to Vancouver, particularly, as a result of immigration. The pace of that change in Vancouver and its impact upon Winnipeg, I think, is going to pick up in the next two or three years.

Winnipeg is the key, I think, to the Province of Manitoba. If we lose the battle for economic development in Winnipeg, we are going to lose if for most of the province. So I think the recognition of this by the City of Winnipeg, particularly in its development of a partnership through Winnipeg 2000, is a very important move. I think we all look for some very strong developments there and recognize the principles of that, that it is only by working together in partnerships that we at least have the opportunity to make some impact upon the fate of Winnipeg and hence of Manitoba.

We have in Winnipeg, I think, a relatively stable population in terms of numbers. What we have is, everybody recognizes an increasing proportion of young people and particularly aboriginal people. I think we have a real opportunity there. We tend to see it in terms of the economic demands that it makes upon the city and the province, but I think we

also have a real opportunity to make Winnipeg a centre for aboriginal government and for aboriginal peoples in the urban context.

* (2010)

The problems I think are ones that many people will see, obviously core area. The Minister has talked about north Main Street, he has talked about the—I do not think he used the term—but the so-called gray areas, the infrastructure of the older residential neighbourhoods. I think we all recognize that those are very much the problems that we have to face even in the next three or four years.

I see the Government in its stand in the election as addressing these the wrong way, through the development of megacorporations, through a decrease in City Council and, it seems to me, through the absence of an aboriginal urban strategy. So I was glad to hear the Minister speak today about that. I would like to hear more about it later on.

I think we would like to have some alternatives developed. We would be particularly interested in civic participation and citizen participation in community-based development in Winnipeg, particularly interested in the development of Winnipeg as a centre for aboriginal peoples.

I think one of the crucial things we have to look at in the next five years is the development of a downtown business plan for Winnipeg, a downtown development plan in conjunction with the city. We have to see that the City of Winnipeg, I think in conjunction with the province, develop some long-term heritage planning rather than continuing to deal with heritage and urban infrastructure on an ad hoc basis.

Most important of all I think we have to look for some new form of Core Area III. I know that there will be a Core Area Agreement, but some concerted effort by three levels of Government to the problems of Winnipeg's core and surrounding areas.

Mr. Deputy Chairman: We thank the Honourable Member for Wolseley (Ms. Friesen) for those comments.

Does the critic from the Second Opposition Party, the Honourable Member for Crescentwood, have any opening comments?

Mr. James Carr (Crescentwood): Thank you, Mr. Deputy Chair. I am pleased to participate in another go around of Urban Affairs Estimates. I remember fondly the debate last year with the same Minister.

Many of the issues are the same. Although policy positions have changed on both sides of the House. We will be interested to have a debate with the Minister on issues such as the size of Winnipeg City Council, the schedule that the Minister and his department anticipate for the implementation of the new policy, the extent to which the Minister intends to consult Winnipeggers about the form that new council will take, and also the relationship between the Department of Urban Affairs and the three corporations which have a tripartite relationship with the three levels of Government. I am referring to North Portage, the Core Area and Forks.

Many questions have arisen over the past short while about the accountability of those corporations to the Legislature. We know that the chief executive officer and members of the board of North Portage Development Corporation and Forks Renewal Corporation regularly appear in front of Winnipeg City Council or EPC.

They have never appeared in front of a committee of this Legislature. I understand that is about to change, if so we welcome that. We will want to know from the Minister just how far along he is in assuring that will occur.

The whole issue of grants to the City of Winnipeg is very important, because Winnipeg dominates Manitoba with more than 60 percent of the province's population. That cannot be said of any other city in Canada in relationship to its provincial Government or the demographics of a province, which puts Winnipeg and its relationship with the Province of Manitoba unique.

We will want to know how the Minister justifies the current level of grant assistance to the City of Winnipeg, how that compares with cities of comparable size, whether or not there has been a transfer of responsibility from the province to the taxpayers in the City of Winnipeg as a result of a miniscule increase in grants this year from last.

We will want to talk with the Minister about some important development issues. One that comes to mind is rapid transit for Winnipeg, if the department has any plans to develop the idea of the south-west transit corridor, if negotiations have begun with the Government of Canada and the City of Winnipeg, and if so where the Minister expects to take them.

* (2015)

The Minister talks about the promenade from the Legislative Building to The Forks. We are very

interested in Riverbank Development, and there is money in the Estimates this year. We will want to know how the Minister intends to spend that money and what his long-range plan is.

The Urban Native Strategy is absolutely vital. Anyone who reads the regular reports from the Social Planning Council of Winnipeg will know that between the years 1981 and 1986 the population of Winnipeg grew by 5.3 percent, the Native population by more than 70 percent in the same five-year period. This is a challenge for Governments at all levels. This particular Government has been making promises to lead us towards an Urban Native Strategy now for a number of years. We see no evidence of it. It still remains an unfulfilled promise, and we will want to question the Minister closely on the Urban Native Strategy.

I will not take any more time of the committee in my opening remarks, Mr. Deputy Chairman, but I am certainly anticipating and looking forward to a fulsome discussion with the Minister through the Estimates.

Mr. Deputy Chairman: I would like to thank the Honourable Member for Crescentwood (Mr. Carr) for those remarks.

Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer the consideration of this item and now proceed with consideration of the next line. At this time, we invite the Minister's staff to join us at the table, and we ask that the Minister introduce his staff members present.

Mr. Ducharme: First of all, my staff is Jim Beaulieu, my Deputy Minister; Marilyn Walder, my manager, Urban Revitalization; and Vern De Pape is manager, Administration and Grants.

Mr. Deputy Chairman: Item 1.(b) Executive Support: (1) Salaries \$220,100.00.

Ms. Frlesen: I will just start out with asking about the \$7,000 differential there in the managerial salary.

Mr. Ducharme: That is your merit increases, MGEA. Actually, the Executive Support staff, I think it was about \$16,400.00.

Ms. Frlesen: I would like to ask the Minister about the Urban Affairs Committee of Cabinet. Could he give me an indication of how often that meets and

what kind of discussions it has had this year, what topics?

Mr. Ducharme: First of all, when I became Urban Affairs Minister, I was not—I know from a previous experience with the City of Winnipeg, when I was on the City of Winnipeg, I know with the previous administration we did not have too much luck in having a plan schedule set aside each and every year, so one of my main purposes was to plan a schedule. We meet approximately four to five times a year, and we were hosted by the city on one. We alternate the host period. We set the agenda for every second meeting. Since we are meeting in December, the city will be hosting, and they set the agenda.

In ours, to give you an example, we will be talking now in regard to their budgetary process, because remember they have to know by January or the middle of February where they are going for their year ending in March. Mainly, we will be doing the monetary discussions in regard to the urban capital grants that, as I have mentioned, expire in 1990. We will be talking generally about what their costs are doing, what they are doing and what they expect will be happening at City Hall when they go to meet in January and do the budget in February. Generally, we discuss along with Ministers. What we do is, we make sure, if we are discussing items on the agenda, the Ministers are invited that are pertaining to those. On libraries, or say, on the environment, or on health issues, we will invite the different Ministers.

Ms. Frlesen: Actually, you were talking there about the City of Winnipeg official delegation and the Urban Affairs Committee. I was wondering particularly about the Urban Affairs Committee of Cabinet.

* (2020)

Mr. Ducharme: What we do with the Urban Affairs Committee of Cabinet, if I have some legislation that I feel is ready to be drafted and to go through to Cabinet, I will run it through the Urban Affairs Committee in Cabinet first because, as you know, we have people on there who have sat in City Hall, which is probably a benefit now because they usually understand the aspects of that.

As a matter of fact, I have included my Urban Affairs Committee of Cabinet to invite all now urban Members, because as you know we have a very, very new cast of urban people who certainly—they

have only attended one Urban Affairs Committee Cabinet and I will tell you they were certainly a very enlightening group. They put their discussions forward. To give you an example on that one, we discussed some legislation that we will be looking at for the next Session in regard to planning, and this type of thing.

Ms. Frlesen: That is very much on an as-need basis then rather than a scheduled series of planning meeting.

Mr. Ducharme: Generally we meet once a month.

Ms. Frlesen: I am interested in your support staff. Could you tell me who your E.A. and special assistants are, and what their respective roles are?

Mr. Ducharme: My special assistant is Wendy Wolyneć.

Ms. Frlesen: Pardon.

Mr. Ducharme: Wendy Wolyneć. Wendy has been with me for two and a half years. -(interjection)- Well, she wants to know what their workings are. It is on the organization chart. I have included both of them on the organization chart on the left. Wendy works with Urban Affairs but probably at this time spends more time on housing issues because of my previous background in Urban Affairs.

My Urban Affairs would be working with Frank Clark. Frank is my E.A. Frank has been with me for approximately a year and a half. He substituted Wendy when Wendy was E.A., and she moved up to my special assistant. Frank would probably be more along with keeping in light of urban affairs and working in my constituency. He would be my main constituency person, and Wendy would be my office person here.

Mr. Carr: Mr. Deputy Chairman, I guess this is as good a place as any to talk about legislative initiatives. The Minister's Party, during the election campaign, promised to reduce the size of City Council.

Would the Minister please outline his Government's schedule of implementing that campaign promise and just the nature of public consultation that he anticipates before the Act is introduced into the Legislature, and to give us as much detail as he is in a position to at this time?

Mr. Ducharme: As you can probably appreciate, we got into the Session very quickly. We were told not to probably introduce any legislation this time unless it was absolutely necessary. Especially with Urban

Affairs, I have kept that to a minimum. I am only going to introduce one small piece of legislation, or I hope I am introducing it, and that is the Ombudsman. If the other two Parties will agree that I can introduce the Ombudsman, and agree to share the provincial Ombudsman, because now they must have the Ombudsman capabilities of their own.

What I will be doing is, right after we are out of the Session, I will be setting up—and I have started to set up the process to have my staff look at a process for setting up a consultation. What I felt is, we would consult and have public hearings during the '91 process and have it ready for the '91 Session so that we can deal with it so that the province remembers, and probably by the time we get to the summer they will be only one year away from a civic election so I would like them to know for the fall election and a long time before that.

Remember, after I go through my consultation process, whatever sizes you do, then you would probably have to again bring in the boundaries people to look at the boundaries if there are numbers established during that first process, because I felt that the boundaries people would meet and establish the boundaries based on numbers. I am talking about population numbers once the numbers have been set and after we have passed legislation in the next Session.

Mr. Carr: Does that mean that the Minister intends to introduce the legislation at the next Session of the Legislature after a round of public consultation, which means that he would be beginning to consult the public—when?—in January, in February of 1991?

* (2025)

Mr. Ducharme: The intention is either do it then or make sure I introduce—like I would have my hearings, or introduce my legislation in the spring of '92. I still have a little bit of room to move, that councillors would know where they are running six months hence.

Mr. Carr: Now I am not sure. Does the Minister intend to introduce the legislation in the spring of '91 or the spring of '92?

Mr. Ducharme: I would prefer to do it in '91 depending on the public hearings that I would have to have in the consultation process. I want to make sure there is lots of room for the consultation process. I do not know what the House Leaders have done in regard to when we are coming back.

That would depend on when we are coming back, because I would like to have that consultation process proceed and have good public hearings on a very contentious issue.

Mr. Carr: Does the Minister intend to distribute a discussion paper in advance of the public hearings that will outline the Government's position in some detail so that when the hearings do arrive the public will have some sense of where the Government is going?

Mr. Ducharme: My staff has not got to that procedure yet in regard to our preparing. I know I will be meeting—that would be something that we would again discuss with the Urban Affairs Committee of Cabinet and along with the colleagues in the city to see which process we will use for the early months of '91.

Mr. Carr: During the election campaign, the Minister either mused aloud, or the Premier actually included in a campaign announcement, that the wards would be of a pie-shaped nature. The Minister can correct me if I am wrong. I believe that was part of the campaign promise. Is it the intention of the Government to fulfill that promise, or does he intend to offer the people, for their comment, a series of options which may include the pie-shaped wards.

Mr. Ducharme: If we are going to have a full consultation, then I do not think the Government would go ahead right now or at any time and say that this is what they definitely want. I think the option level is what they would need. You know, if you are going to the public, you want to go to them with several options, or I do not think there is anything accomplished. I think, as open as you are, you want to hear full process, you want to hear the pros and cons of community committees, you want to hear the pros and cons of—you are going to hear people give the results of the larger type of wards. I know it came up just recently when we were doing the planning.

We have to make sure that any planning legislation I am doing for the spring session, because as you know, I did furnish the Member with a schedule saying that I am going in it as a varied part 20, which is a large part of the Act. I will be introducing that in the spring Session. It will probably take a month and a half to two months. It is going to be about a 40-page document replacing about an 80-page part of the City of Winnipeg Act.

We have to make sure it would work both for and

against no matter what type of size and city council you put in. There is no use me bringing in legislation and finding out that all of a sudden the people in the area are somewhere or other, something happens to the numbers. I am saying that numbers, the shape, everything, the planning will be able to work with any of these configurations that you put in.

Ms. Friesen: I was wondering if I could pick up on the City Council issue, the size of City Council. Have your research staff done any research on the implications of the impact of pie-shaped lots?

Mr. Ducharme: No, they have not.

Ms. Friesen: Is it the intention of the Minister, in proposing the possible diminution of change in size of City Council, to do away with community committees?

Mr. Ducharme: They are in the process. You can still have community committees. That has not been discussed. I think that is the type of thing that will come up at your hearings when you are dealing with the numbers. Remember, you have some people that feel very, very strong feelings about things that should be looked after at community committees, and you have people that believe that community clubs and libraries and all these that they are used to for the last—not just the last 15 years, they have been used to them at the old council days when you had 13 separate councils, everything was handled through the local councillors.

So I think those people will come forward because when the previous administration brought in The City of Winnipeg Act and had 50 councillors, there was quite an uproar because people felt that they were going to be left without that identification. As a matter of fact, a lot of people were involved in that process. I think the full public hearing process is very important.

* (2030)

Ms. Friesen: Has the Minister discussed formally or informally with the current members of City Council this proposed change in the size of City Council? What kind of response are you getting?

Mr. Ducharme: On an informal basis I have discussed it. The same as when I talked about reduction to 23, I talked on an informal basis with different councillors that you do have a dialogue with, discussed it briefly with the mayor and I discussed it briefly with some of the Members. I would say, if you want to know what the opinion is of the ones that I talked to, they probably felt

stronger about reducing from 29 to 23 than they do from 23 to whatever. I am quite surprised that is happening; however, I think that is something that will come up. Each councillor will have the right to go to these hearings and make his point heard. The mayor will also have his opinion. I am sure they will have their ammunition as to why they believe it should be reduced or why they think it should be at 29.

Mr. Carr: Just one more question this section, Mr. Deputy Chairman. There were a number of very important amendments to The City of Winnipeg Act last year. I just wonder if the Minister can let us know how he thinks those amendments have worked in the operations of City Council? He has had some time to monitor and review the new process. Is he satisfied? Did we do good work last Session?

Mr. Ducharme: If you are asking about the responsibility that we gave the mayor and what we gave the chairman, I think that the process of appointing your chairman—I think that has worked very well. I think what it has done is made the mayor more accountable because he has selected the majority of his EPC. To see whether it is going to work in general, because you have to remember that you did have quite a change in what we know as a large membership in City Council, so we had a lot of new members elected in the past election. I am still convinced it is the way to go. I feel it is a better system than was in place before. I think now that the mayor is the EPC chairman, that has worked out much better. If the mayor is not successful I think it will point that it is his mandate more so than what was before, and I think even if we have accomplished that so far until the system gets in place, then we have accomplished a lot.

Mr. Deputy Chairman: Item 1.(b) Executive Support: (1) Salaries—pass; (2) Other Expenditures \$51,500—pass.

(c) Administrative and Financial Services: (1) Salaries \$168,000.00.

Ms. Friesen: Mr. Deputy Chairman, I wanted to ask about affirmative action here in the department, first of all. What are the targets and how close are you to meeting them?

Mr. Ducharme: To the Member for Wolseley, as you have to appreciate, staff is only 19. However, if you look across the chart, four of the five are women just below the Deputy Minister. That includes—and

one is on temporary leave and that is Claudette Toupin.

Ms. Friesen: I realize that it is difficult in a small department, and I wondered what the Civil Service had offered you as targets in fact, not specifically in the employment of women, but the employment of aboriginal people and visible minorities and handicapped.

Mr. Ducharme: I mentioned that we—I will get you some numbers, but we have not been given any specific targets. I believe that we are probably at three of the four criteria that we do accomplish those. I think I know for sure that in our department—and I am just looking around—we have two visible minorities that I know of that are in our department.

Ms. Friesen: Is there some particular reason why you have not been assigned a target? Are there other departments in that situation?

Mr. Ducharme: I guess it is because we are better than most. I am just aware of what is in Urban Affairs. I know that in Housing we have targets, and I can get you those and we have accomplished the ones in Housing, so I am just saying that—I guess because of the size of the staff.

Ms. Friesen: I wanted to pursue the policy review and development of urban grants. Could you give me an indication of what kind of policy review has taken place this year?

Mr. Ducharme: Maybe you could be more—are you saying, what stage are we at right now?

Ms. Friesen: I am looking at the Activity Identification that says policy review and development in urban grants and administration. I am wondering what kind of continuing policy review you undertake. Are you evaluating, monitoring? Is there long-term policy development, or is it a combination of all three?

Mr. Ducharme: I guess the best way to put it is that we are constantly reviewing all the grants. We are in a very major step right now because we are looking at the renewal of the \$90 million six-year agreement. The reason why we are looking at that is because we find it very successful, because then the city can receive their commitment and we will pay as we are billed. If they commit a project and it takes three years, that stays in that sum of money. You are not coming every year and working on it hat in hand and going through their capital. They submit

every year, but they also know that they can only submit up to that 90 million over that six-year period.

Ms. Friesen: I guess we have a chance later on to look at some of the details of that, but I wanted to know now about the policy review. It sounds as though you are interested in renewing that kind of five year capital grants program. Do you have any different criteria that you are evaluating or looking to develop for another type of agreement?

Mr. Ducharme: What we have looked at—it is actually a six-year agreement presently now, but we do look at their five-year capital. We know what is in their five-year capital to see what they can deliver in that five-year period. Where we are at now is the administration does negotiate between the two administrations to find out where they are at and on what they are capable of doing, say for next year, what they are capable of doing the second year. What we are down to now, I think, is not so much the capital—we can always find projects. They seem to come quite freely. What we are negotiating now, we are right down to whether there will be an increase in that 90 million. That is where we are at now.

Ms. Friesen: Would you give me some kind of indication of what the provincial priorities are going to be over the next six years in that area?

Mr. Ducharme: If you look at what the provincial priorities have been in the last agreement—I think it is around 7 percent that we asked for, if any, or maybe not even that, that we asked. As a matter of fact, it would not be seven, it would be closer to \$3 million of what we said we would like this in your grants for you to get to match. We have stayed actually pretty close to what the city has requested.

In other words, the city is a selection of individuals that have been elected the same as we have at the Legislature. They probably feel that they have their priorities of what they want to see. We have our priorities. I can give you a couple of examples. We were very, very—we would like to see something done more with the riverbanks. We have spent I think the last year convincing them that we would like them to participate. They have not committed themselves. We have committed 500,000 of that 90 million.

I think the only thing I got out of the—as Minister, our Government got out of that \$90 million—remember we came in when most of the money was allocated—would be the termites that

we had in St. Boniface. We asked them to participate, I think the Member remembers, the Member for St. Boniface (Mr. Gaudry) came forward and we negotiated that for the people on Youville in St. Boniface.

There was a previous -(interjection)- yes, there was a previous one, I guess it was the help of this Government that he was elected because we got rid of the termites. We did not get rid of them, but we answered his question on termites.

The other was the noise barrier that was put forward by the previous administration on Lagimodiere that was requested. Ours was the 500,000 Riverfront Corporation, and that is all that was really asked of the city.

I am not saying that on the new agreement we will not ask for something, but I am saying right now we are negotiating the amount, and then I would say after that that we should get more into—if there are some projects that we would like to participate in.

Ms. Friesen: That is really what I am trying to get at, Mr. Deputy Chairman. If this is the area where the policy review takes place, what kind of priorities other than riverbank development would you have for grants to the City of Winnipeg over the next six years, capital grants?

Mr. Ducharme: If you are looking at global, I would like to maybe, now that we are involved in the transit problems that we have, I would really like to see a—I am only saying that they are going through the studies now, and they just had some information put forward at the Convention Centre the other day in regard to the LRT comparable to the busways.

I am still not convinced that they have looked at all the alternatives and that they have looked at everything in regard to transportation. I think that transportation is probably going to be a very, very important key to the City of Winnipeg in the next few years to come. I, as Minister, would like to see maybe some type of, call it a transportation commission or something to look at transportation and not do it in ad hoc.

* (2040)

I know our Government is concerned about the cost of an LRT. However we want to make sure that if you do go to a bus corridor down the road that it is adaptable to the LRT because it is going to be very important that these buses will only have a 20-year life span. You are going to have to go into other means of transportation, and if you look

throughout North America, most of them are keying in on the LRT, other than say Ottawa who has gone the bus route.

Ms. Frlesen: So riverbanks and transit, what about community revitalization which has been an earlier priority.

Mr. Ducharme: Yes, we have worked on three. We have been working continually on that and, as a matter of fact, we are looking at another area on revitalization. Revitalization, as the Member is probably aware, has probably been one of the most successful of all the programs, because you do have people involved quite extensively in it. I will give you some numbers of what we did in Weston. We have Weston, we have Spence-Memorial, we have Burrows-Shaughnessy, and the Transcona Centre is looking, and Fort Rouge area. It is the Manitoba-Winnipeg Community Revitalization Project. It is one that combines these particular areas.

Ms. Frlesen: So that Riverbanks Transit Community Revitalization, these essentially then are the same priorities that you have had over the past six years. Is there any alteration or addition?

Mr. Ducharme: Not in the last six years. Riverfront Corporation was put in by this Minister and this Government, and also the transportation is just starting to be studied now, that it has been going on for the last couple of years. Other than that, we will probably be looking at participating in—you mentioned earlier in your remarks that will take up quite a bit of time—setting up whatever you call the third agreement, if there is one. I think that will take a lot of time. I think we will have priorities under that agreement, because remember we did not participate in most of the large capital projects that were under the second Core. I imagine that will take quite a bit of time -(inaudible)-

Ms. Frlesen: Maybe we should all agree that we are going to call it Core Area III for the purposes of tonight, not necessarily recognizing that it is a Core Area III.

Mr. Carr: I am interested in the direction that the Government is taking on grants to the City of Winnipeg. On page 14, we have three of them which are outlined. An Unconditional Current Programs Grant, an Urban Transit Grant and a General Support Grant, and it begs the obvious question and that is, what is this Minister's view on attaching strings on grant money from the province to the city?

There are funds here which obviously must be used for a particular purpose, an example: the Transit Grant must be used for that purpose, the Unconditional Grants not so. Where is the Minister wanting to move his Government? Do you want more or fewer strings in future years?

Mr. Deputy Chairman: If I may, I am going to stop you for a second. Are we going to start hopping all over? It is the next item. Should we pass (c) Administrative and Financial Services: (1) Salaries \$168,000—pass; (2) Other Expenditures \$29,000—pass.

2. Financial Assistance to the City of Winnipeg (a) Unconditional Current Programs Grant \$20,500,000.00.

Mr. Carr: The question has been put, Mr. Deputy Chairman.

Mr. Ducharme: I guess this is part of the process of negotiating, and I think you probably need, what I would say a balance between both the Unconditional and Conditional. I think that is something that—there has to be a balance for it. There has been no policy by our Government to put any strings. I know when I was on council I did not like someone coming to us, saying that we will give your transit operating grant if you do not raise the price of fares. I did not like if they were coming forward and saying, we will agree to this capital as long as you substitute another capital.

I think to just say that in any certain way—if I do have a priority, I think it would be up to myself or up to our Government to go to the City and say, here is one of our priorities, the same way as I have been trying to do with the Riverfront Corporation. We feel that—I guess one that we have been negotiating on was Highway 75. We had X number of dollars put forward from Highways and highways belonging to inside the city limits. Yet our Highways Department came forward with approximately \$9 million in capital, and we said, would you put this up in your priority list if you will agree to the \$90 million? That is what I say. Through negotiations I think that is how you probably sell your requests.

Mr. Carr: Mr. Deputy Chairman, I am interested in how the department and the Minister determine what an appropriate transfer is to the City of Winnipeg. I would like to know, to begin, what percentage of the Winnipeg budget is comprised of a provincial grant?

Mr. Ducharme: Seventeen percent of current and

8 percent of capital. Remember this does not include anything going into the Core Area Program. I am just saying that basically it is 17 percent of the current, 8 percent of capital.

Mr. Carr: I can imagine that when the Minister was a member of City Council, he probably argued for lots more. There is an old expression in politics that "Where you stand depends on where you sit."

When the Minister was sitting in City Council, no doubt he was thumping the table for more from the province, and now that he is Minister of Urban Affairs, he probably thinks the grants are just fine.

I would be interested in knowing how 17 percent compares with other cities across the country. I am not expecting that the Minister would have that information at his fingertips, but if he happens to know, I am sure the committee would appreciate the Minister passing that along. If he does not know, I wonder if he would be so kind as to find out.

Mr. Ducharme: I guess the Member is fortunate he did not have to sit in those positions as this Minister had to.

I must say that it is the same as if you are a negotiator on any basis. You are going to always be going for what you feel. As a city councillor, I will come to the province and negotiate and, as you say, thump the table, but once I have left the table then it is a new ball game. Same as when I have left now and joined another table, I will thump the table at them also.

We do have some figures, but I think I could probably give you better if I outlined, because the figures have been used and then there has been letters of apology from the Cherniack Commission, for instance, the letters are used when they are going over the report. There were some figures used that the City of Winnipeg was a lot less on provincial grants than say, Edmonton, Calgary. We have figures to back others, and I could supply you with those figures. I will get you those.

Mr. Carr: I am interested in the issue of transportation in the City of Winnipeg. There has been a fair bit of debate about that in recent days. What is the status of negotiation over the southwest transit corridor? Has the Government made any—
-(interjection)-

Ms. Friesen: A point of order, Mr. Deputy Chairman. I think we are still on Unconditional Grant.
-(interjection)- I would prefer to go through each one individually at this point. I am open for discussion,

but I would certainly like us to agree upon it before we do it.

Mr. Carr: It does not matter to me.

Mr. Deputy Chairman: Item by item? We are dealing with Unconditional Current Grants.

Ms. Friesen: I realize it is an Unconditional Grant but is there any kind of audit, monitoring procedure or value audit on this money?

Mr. Ducharme: On the \$20,500,000, they use it for whatever—not by us—they will have now their own audit system. I do not know how we can trace it back because they can use it forever, for whatever they want. They can take 20 items and use it for 20, 30 items. We do not specify what they use it on.

Ms. Friesen: There would be no way from a provincial perspective of actually tracing this money at all?

Mr. Ducharme: I am sure they used our \$20,500,000.00. I would claim they did anyway. It was not part of the surplus that they had over there.

Mr. Daryl Reid (Transcona): I have a few questions, but they will be on the Urban Transit, if we are on that portion.

Mr. Deputy Chairman: Not yet. We will pass the other one first.

Item 2.(a) Unconditional Current Programs Grant \$20,500,000—pass; (b) Urban Transit Operating Grant \$17,726,500.00.

* (2050)

Ms. Friesen: This is a grant that finances the deficit, is there a cap on this now, or are you contemplating a cap?

Mr. Ducharme: There is a cap that is negotiated at the start of the year, and they will finance up to a certain maximum of 50 percent, a certain maximum figure and that will be it.

Ms. Friesen: The fare structure, to maintain a reasonable fare structure, what is the Minister's perspective on that? What is a reasonable fare structure?

Mr. Ducharme: I guess fare structure would be what you are offering the public. For instance, if you want to use a fare structure in Calgary—what is it, \$1.10? There they have a light rail in Calgary and Edmonton, where here, I would say there is no comparison between the two services.

Ms. Friesen: One anticipates that the City of Winnipeg is looking at fare increases this year in its

urban transit. I am wondering, given that prospect, what the Minister considers is a reasonable fare structure.

Mr. Ducharme: I have always agreed to, or always supported the City of Winnipeg's policies, that they recover 50 percent from the fare boxes. That has always been—and that is what they try to achieve. When I was in City Hall I approved that, and I would still say that is a pretty fair way to judge the fares.

Ms. Frlesen: You would be looking at it from an overall budgetary perspective rather than from the perspective, say, of distance use or time use, that is, charging more as Ottawa does, for example, in rush hours.

Mr. Ducharme: Those used to be looked at, but then of course you could do that with—if you looked at distances and your time elements, you would be looking at whether seniors should ride four to six, or whether they should ride seven to nine. You would look at someone who is way out at the other end of the city paying more. Then you would have to start looking at other services that they are away from. They might not have the libraries, where downtown you have libraries closer. You might be looking at community clubs not as close. I think that transportation should be based on what it is at the full city level.

Ms. Frlesen: Other jurisdictions do this, and I wanted to make sure that I understood the Minister, that he is looking at one fare for the whole City of Winnipeg.

Mr. Ducharme: I have always supported the one fare for all the City of Winnipeg, and I am just saying that personally. That is the way I have been. I do not see the city moving away from that. Even if they go into a bus route, as you are talking about or what they are talking about, I do not think you will see any drastic changes in the fare structure.

Ms. Frlesen: My colleague from Transcona (Mr. Reid) is going to, I believe, ask about the overall Urban Transit. I am interested in the encouragement or lack of encouragement you might be giving to the construction of bicycle paths as a means of transport, rather than as a means of recreation.

Mr. Ducharme: I just received some information from an individual. In the last few days I wrote him back. I have sent it on to the City of Winnipeg. I guess I would say that I have—if someone would go to my office, they would think I have a conflict of interest. They will see my bike, but I have only used

it back and forth twice. I think there has been consideration years ago to use along the hydro lines, and ways of providing transportation, but our staff has not made any suggestions to the City of Winnipeg on bike rights-of-way.

Ms. Frlesen: I think from a planning perspective, it is the kind of thing that will be within the purview of this department. Is there some reason why you have not looked beyond buses and light wheel transport?

Mr. Ducharme: If you mean by planning, remember that we look at the overall plan, and what they do specifically in that plan. I do not know if anybody came up when they did the transportation at the Convention Centre, I do not know, I have not seen the results. Who made presentations, whether anybody made any presentations on the bicycling path.

I do pick up the occasional paper from somewhere else. I know I looked the other day, and I think the one that has provided the most bicycle paths is Seattle, and then there was another one in California. I have never actually looked at what they are providing.

Mr. Carr: Thank you, Mr. Deputy Chairman, I would like to get back to the subject of the southwest transit corridor. Could the Minister just bring us up to date?

Mr. Ducharme: In regard to negotiations?

Mr. Carr: Yes.

Mr. Ducharme: We have not been involved in any negotiations, other than brief discussions with the federal Member. I have talked to one federal Member. The discussions I have had with the City of Winnipeg, of course, is that I did tour with Mr. Borland and a couple of councillors when we went to Ottawa. I spent the day in Ottawa looking at the bus route.

I did go to Pittsburgh, and I looked at the combination along with Councillor Lorenc and Mr. Borland because they do have probably the best combination in that particular city; however, in regard to monies or whether the province would commit, the province had made no commitment. The federal Government has made no commitment.

I still feel it is unfortunate that the monies in the transportation were lost that were offered by the federal Government a few years ago.

Mr. Carr: Well, the Minister is travelling around to other cities to examine the use of alternate sources of transportation, but what is his plan? What is his

Government's position? Where does he want to take whatever vision he may have, and how does he intend to implement it?

Mr. Ducharme: I mentioned earlier, I had my priorities. I suggested that a form of commission to study into the possibility of what is the best transportation. I know what the best is; however, the best is the LRT system, but we would have to base on what we can afford, and we would have to base on what the reaction is with the City of Winnipeg. We also would have to look at what the federal people would bring to the table.

I do not think you are going to go into a transit system without some help from the federal Government. Remember in Ottawa for the bus transportation, because I was wondering how they are getting their bus rights-of-way, and I understand that they say it is mostly provincial grants. But then they do not mention in his presentation, that I found out by visiting there, that they have had a lot of subdivision agreements where they have insisted on the subdivision agreements along the way providing the busways. So they have provided the busways, and they pay for a lot of the busways as they do subdivision agreements.

So it is something that you do not look into just by looking at the southwest corridor. If there was a plan to go into corridors, you would have to look and see on subdivision agreements and planning that could be an additional cost provided in those agreements.

Mr. Carr: Could the Minister tell us more about this commission? What will its terms of reference be? When does he intend to announce it, and when will it report its findings?

Mr. Ducharme: I imagine some of the priorities that we would have to look at is not just bus transportation and not just passenger transportation as we see it in transit; we would have to look at what you are doing with the roadways. We would have to look at it along with the City of Winnipeg. We would probably have to look at what the Department of Highways is doing at different areas where they come into the city.

I think that the commission would probably go out and review and look at the possibilities before we started addressing ourselves to spending \$60 million to \$70 million on one corridor, if that is not what you are going to do in other parts of the city. It is very important that you look at what you are going to do for the whole city.

I guess what you would look at is, not that it was the greatest transportation, but you look at the WAT Study that was done in the '70s. It did have a transportation and road system that was set in place and it was not adopted by the city, but it did provide some information that we are now using. It is probably the one that suggested an inner beltway and people said, Oh, no! We do not want an inner beltway.

If you take a look at what is happening around the city, you are now getting an inner beltway that nobody wanted. I mean you take a look at Bishop Grandin. You take a look at Waverley. You take a look at the Charleswood bridge if it comes. You look at the Kildonan. All of this was mostly looked at in the WAT Study that no one wanted.

I am sure that when they went to look and do this transportation, they probably looked at that study, and that is probably a lot of the parts they used. So I am saying that is the type of thing I would like to see.

Mr. Carr: Can the Minister tell us when the commission will be formulated and just what kind of people he is expecting to appoint?

Mr. Ducharme: No. The reason why I say that is because, if you look at the city budgets, they are not looking into doing the transportation corridor until I think it is '94-95 so we still have some time to sit down and figure out who would be on that commission. I would certainly consult with the mayor and with the Department of Highways as to who would be the logical people to sit on it.

Mr. Reld: Mr. Deputy Chairman, just to pick up on the point of the commission, so you say the provincial Government at this time is unaware or does not know for sure whether or not you are going to have some input into who is going to sit on that commission to study the Rapid Transit for the City of Winnipeg.

Mr. Ducharme: That is not what I said. I said I do not know who we would have on that commission.

Mr. Reld: Do you anticipate having someone sit on that commission?

Mr. Ducharme: Definitely, it would have to be a co-operation between the City of Winnipeg and the province.

* (2100)

Mr. Reld: There are a couple of other areas that are listed under subappropriation and one of them talks

about Handi-Transit. Could you give me a bit of background on that, please?

Mr. Ducharme: The best stats I have are the ones that were used—I just finished asking for up-to-date figures from the City of Winnipeg and they said the latest they have is January of '90.

If you want some background on it, when the Handi-Transit was started, it was supported by the provincial Government and the city and there was a program being done, what we would call in—what do they call it, the southwest? The Fort Rouge area was being funded at the same time and the previous administration withdrew their funding on that particular program. Along with the city they felt it was not offering the service to the total city area.

We agreed to fund the Handi-Transit and we funded the extended Handi-Transit. As a matter of fact, all I know from the figures I had in January earlier, the membership has been increasing and it has now been extended to cover anyone who cannot ride the regular transit. I know by the membership it is moving quite extensively and the last numbers I had is that 75 percent of the people using it were seniors. It is now available to everybody in the City of Winnipeg and not just in the south, the transit system that was in place at the time we came into office.

Mr. Reid: It had been brought to my attention earlier this year by senior members of the community in which I live and which I represent, that they had some concerns about the Handi-Transit system in the area of its availability, in a time factor for the utilization by the people that need that type of service. Also there are some cases there where the Handi-Transit was unable to provide service for these people on the return route.

Mr. Ducharme: There were always problems with return routes and appointments to get onto the Handi-Transit, but we did bring in, along with the City of Winnipeg, the brokerage system using the taxis when it became very, very busy. That has apparently helped tremendously. I will provide all the figures and the stats on how popular the Handi-Transit has become. I can provide them to the Member, when I receive them from the City of Winnipeg.

Mr. Reid: I have no doubt that it is popular. I think it probably would be good if the people who utilize the service knew that the Handi-Transit was not available on the return trip, they knew that there was

an alternative available to them. I do not recall, although maybe you could bring me up to date on this, whether or not you have done any advertising in that area to make the seniors in this case, the large number of them that use that service, aware that the alternative form of transportation is available for them.

Mr. Ducharme: I will give you some figures. If you book two days in advance, success rate has been close to 100 percent for use. I will give you some other figures. There is a folder that is put out throughout the city, and also to go back to the numbers—in 1988 the Handi-Transit ridership was 121,174, that includes the transit and the Unicity that they were using. In 1989 it was 206,494 and then what we have so far estimated, they figure with the numbers that they have been using the figure will climb to 272,768 ridership and most of that is in the transit and Handi-Transit system that has been operating. I am talking about the—no, it is not in the regular transit system. You can see through the last couple of years how it has been so popular.

If the Member could get me numbers or specific cases, the city has been very co-operative if they have problems with an area that they are not servicing properly. My intention is that they do have an operations advisory committee members who are Handi-Transit users that sit on an advisory board and tell them the pros and cons of what is happening. If they have problems in certain areas they are addressed, so if the Member—(interjection)—I can provide you with a current list of the members that sit on there and I can also ask if you have anybody who wants to volunteer to sit on it, there is also a citizen member. There is a phone number of a citizen member on that, so there are means to get involved in the Handi-Transit.

Mr. Reid: I would appreciate that list and the opportunity to have—is that an up-to-date list?

Mr. Ducharme: I will get you a book and in the book it has a phone number that says: phone this number we will give you the complete list; phone this number if you want to be a volunteer. So there are two numbers and they will give you the list.

We will phone for the list for you and get you the list.

Mr. Deputy Chairman: The questions are all answered—no.

Mr. Reid: I thank the Minister for this information. I think although volunteers are usually difficult to

come by we should be able to find some in this case to sit on that board.

(Mr. Eric Stefanson, Acting Chairman, in the Chair)

If I might go back to the LRT, Mr. Acting Chairman. The Minister stated that he favoured the LRT system over other methods of transit in the urban centres. He said he had viewed some in Pittsburgh and California. I believe he had mentioned those areas where he had viewed rapid transit systems.

Could you give us some ideas on why you favour that system over maybe the electric trolley system or the diesel bus, because I know that these areas were discussed during the rapid transit hearings at the Convention Centre this past week?

Mr. Ducharme: First of all let us get it straight. If I had unlimited funds I would buy the LRT. The LRT is just—most people like to ride on a train. If you want to look at different services -(laughter)- they do, they like to ride on a train.

If you take a look there are different types of LRT systems also. If you want to look at LRT systems and I would take—they had the Member in from Calgary.

To tell you the truth, Calgary would probably be the last type of LRT system that I would want to put in the City of Winnipeg. If you take a look at it running down the trail, shooting along, unfriendly as can be, and high steps separating it from the merchants and from the people using it. You can get into systems in Pittsburgh and Dusseldorf, Germany has one that they have just—-(interjection)- yes, they have. They have a system there. They have a system in Dusseldorf that is very, very adequate, because it almost combines the friendliness and it combines the area where it joins right in with every other transit, people walking by it. They are using it like a friendly system.

About the only thing they do not do—they even have bicycles going around it. They do not grab on to the trains with their bikes, but they have bikes that join in with the tracks.

The one in Calgary, for instance, is not what I would consider a great system. I know the individual was here for the convention and he was the host in Calgary for a day. I did not consider their system as good as the one in Pittsburgh or the one in Dusseldorf.

Mr. Reid: Mr. Acting Chairman, if the province was

to participate on the committee or the commission studying the rapid transit proposal for the City of Winnipeg, would you insist that the provincial representation look at the environmental aspects as well and take those into consideration for the implementation of a new system for the city?

Mr. Ducharme: Definitely, and I will also look at the availability of what is going to happen with our fuel in the next few years. That will also have to be another consideration.

* (2110)

I think the environment, not only with the pollution of what we know as our diesel buses, but if you take a look at even the noise, the LRTs are so quiet that they have to ring bells when they get to crossings because people do not know they are around.

I think that is a consideration, definitely. That would be a major—I mean if they were close that would be a way of really answering the question of whether the environment issue is sufficient enough to sway the minds of the people who are going to make that decision, but it definitely has to be a factor and a very important factor.

Mr. Reid: Mr. Acting Chairman, could the Minister tell us if there have been any efforts made to attain federal participation in the rapid transit proposal for the City of Winnipeg?

Mr. Ducharme: Only briefly at a meeting—when you are talking about other issues the mayor and I did talk to one Minister in regard to where the transportation amounts were at, and we did not get any commitment from the feds. We were mainly asking about where those transportation dollars were that were available years ago. The mayor and I were told that they expired, and if you were looking for any new monies, you would have to start the whole process again.

I think that would be something that you could do if you got a full answer, or if somebody had looked at all the different ideas on transportation and came forward and said to the feds, this is the best. This is what we want to do. I think that would be the time to go to them and say, would you participate in it. We are being told that in Ottawa the feds did not participate in their transit corridors so that is the answer Ottawa gives us.

Mr. Reid: I guess I have a concern being that I am from the northeast sector of Winnipeg. When I hear the comments being made about developing the southwest corridor of the city, it causes me some

concern, and I am sure for the residents of that sector of the city from which I am from some concern as well.

If the province decides to participate in the southwest sector transit corridor, in the long term would it look like the province would also participate in the development of rapid transit in other areas of the city in the future to come?

Mr. Ducharme: You are being a little hypothetical on whether we are going to participate in the southwest corridor. You have to remember that the reason why they are using the southwest corridor or that area is the availability of the track that is running along Pembina Highway. Not only that, but the traffic counts show that Pembina Highway is one of the few that is as busy going both ways at the same time.

In other words, busy going to the university and busy going downtown between seven and nine, and four and six it is busy both ways. It is one of the few corridors that is like that, so they felt that was one of the corridors that would probably more than likely be able to pay its way because of that type of traffic pattern.

I know that the Member is from Transcona. You would not have that type of traffic pattern that they do on Pembina Highway. I know that it is a busy street. I know that Regent Avenue is very busy. I would like to see Regent Avenue expanded, but I do not know where they are at. The City of Winnipeg is involved in that one. I have no idea. That is the reason why they are looking at the corridor southwest is because it is one area, with the population of the University of Manitoba, that is busy all the time.

Mr. Reid: I am glad you mentioned about the Pembina Highway counts because I think if you look at the access routes into the communities of northeast Winnipeg, there are many areas by which you can access those communities. I am just wondering if the city, in conjunction with the province, has taken into consideration all of the traffic counts that would feed into these areas and based that total figure on the traffic flow into the southwest corridor of the City of Winnipeg.

Mr. Ducharme: We have not taken into consideration any traffic count simply because the province has not been involved in the southwest corridor. We have looked at presentations on the southwest corridor, but that is why I say that before

you look at any transportation system for the City of Winnipeg, that you look at the total city and what you are going to need in the total city.

I do not know whether they have made any of those counts in regard to your area. I know they have made them on Pembina Highway. I guess when they are selling that corridor in one specific area, that is the counts they are going to give you there.

Mr. Reid: My last question is: I ask the Minister to take into consideration the question that I just made to him if and when the province does become involved in the area of participation in the rapid transit for the City of Winnipeg.

Mr. Ducharme: I would suggest to the Member that if we are fortunate in getting our commission and the City of Winnipeg agrees to it, and we sit down and review the transportation system, then I know the Member will be there to make a presentation to that committee.

The Acting Chairman (Mr. Stefanson): No further questions. Item 2.(b) Urban Transit Operating Grant \$17,726,500.00.

Mr. Carr: Yes, I just have one brief question, Mr. Acting Chairman. The seniors' transport system has been running in South Winnipeg for the last number of years very successfully, but it has had to close its motors as far as I know. Has the group approached the Minister for a grant? I know that there were some campaign commitments made in 1988 to this organization. I do not know whether they were fulfilled or not.

Does the Government have any intention in sustaining this very effective and very responsible group of individuals who are volunteering their time in order to move literally dozens of South Winnipeg residents around, or has the Government decided not to participate in any way to help them stay afloat?

Mr. Ducharme: First of all, we have not heard from them for almost two years. I must say though that we have committed ourselves to probably—we even upped the funding of the Handi-Transit because it became so popular in the rest of the city. We moved with a four-year program into a three-year. We moved our grants up on that basis because it became so popular. We felt that we would like to provide the Handi-Transit to whoever cannot take the regular transportation.

Unfortunately, the transit that the Member is

talking about is probably a very, very good system. However, it was not a system that was operating and looking after the city as a whole. We felt that if we were going to put those kinds of monies in, and what we did, we supported the previous administration. They had agreed that they would discontinue the funding to that particular area of the city and go in with an extended Handi-Transit system.

That was in the city's budget and was discussed. I think we came in in May and we supported that. We also supported the idea that we would move it up from four to three years. It has worked out very well. Anyone in that particular area you are referring to who cannot take the regular transit and they do have a doctor's certificate, can ride the extended Handi-Transit like everyone else in the City of Winnipeg. Not only that, you do not have to be a senior. You can be handicapped. You now can ride the transit based on your inability to ride the regular transit system. I do not make any apologies for going into this program. It shows in the figures that we have been getting that it has been very, very popular.

The Acting Chairman (Mr. Stefanson): Item 2.(b) Urban Transit Operating Grant \$17,726,500—pass; (c) General Support Grant \$7,635,200.00.

Ms. Frlesen: Mr. Acting Chairman, I would like to ask the Minister to give me some history on this. Why are there two unconditional grants to the city?

Mr. Ducharme: This is the payroll tax offset, this one.

Ms. Frlesen: I wanted to talk about the City of Winnipeg revenues and the opportunities for the City of Winnipeg to increase revenues. Is this the appropriate place, Mr. Acting Chairman, to discuss it? I could not think of anywhere else to put it.

Mr. Ducharme: Mr. Acting Chairman, I have no problem for it to be done here.

Ms. Frlesen: There have been a number of suggestions lately to the Minister, either through the paper or through various other means, I think, to provide opportunities for the City of Winnipeg to increase its revenues. Some people suggested an increase on the income tax system, some have suggested alterations in the property tax credit and others have suggested various types of sales tax.

* (2120)

I wonder if the Minister could give me some perspective on what the department's, of what the

province's interest in this is and what his long-term plans are?

Mr. Ducharme: Okay, first of all the Member is referring to the CUPE report. I read the CUPE report.

Ms. Frlesen: One of them.

Mr. Ducharme: Yes, I read that one and there have been suggestions from City Hall repeatedly over the last 15 years on how they increase the revenues. I know that the chairman and I have sat, probably, and gone over those revenues when we were there at city hall. Probably some of us supported different revenues, increases, and different forms of taxation. I guess the view of our Government right now, at Urban Affairs anyway as Minister, is that I am saying to them that we think maybe they should get their own act together.

When you start increasing taxes in the vicinity of 10 percent when we are telling all our agencies and everybody else to keep it at four, you are just going to the same taxpayer, you are just going to his or her other pocket. I know that it is one of the things that the city is going to be addressing with us when they meet us in December. I have been warned ahead of time that they are going to be coming and addressing those types of issues. They are probably going to talk about tax credits; they are probably going to talk about their water levies; they are probably going to talk business assessment taxes on small businesses, large businesses.

I noticed even in the CUPE report, it is amazing how you can turn things around. They mentioned that a starter home in the City of Winnipeg has the same taxes as a starter home in the City of Calgary, but a starter home in the City of Calgary is \$135,000 and a starter home in Winnipeg is \$80,000. I must admit our own Minister used that in his budget speech too, but that is how you use figures.

I guess that until we hear from the city on what they figure their wants are, and we will see their list, I am looking forward to seeing their list. We have had brief discussions with them however, other than probably one meeting with the mayor just before he talked to the Chamber of Commerce, he brought up some of his wish list. We will see them when he brings us it in December.

Ms. Frlesen: Could the Minister elaborate on his earlier statement, "the city should get its act together"?

Mr. Ducharme: I think no offence to the people who serve on City Council; it is all tough right now. I am

saying that they are elected to do their priorities. They have to sit down and do their own budget. They have now got that power at EPC to sit down and do their own budget. I think it is up to them to go through the budget and not rely on coming to us in January and February and saying: I thought we were going to get X number of dollars from you as an increase.

I think they are going to have to sit down and start figuring out where their priorities lie. I still believe that it might be different in this budget structure. You remember the controversy last year in the spring when they were pulling money out and putting back in, and that is the system that council seems to use.

The biggest concern of ours is their heavy expenditures; they have increased their capital expenditures. Their capital expenditures have risen. Their debt costs have risen, I think, close to 40 percent in the last two or three years. Last April when they filed their budget, and we have to approve their capital borrowing to the provincial Government, there was a letter that went out from our Deputy Minister of Finance addressing that situation, saying: watch your capital because you might get to the point where your grading might be affected.

We have asked them to come back to us with their plan. We have not seen that yet. Maybe that will be something else they will bring to us in December. Remember, it is tough for a council and why I say "until they get their act together", council can go and look at a capital budget and pull out \$10 million and it does not really affect their current costs because they do not pay any interest on that capital until next year anyway, so it is not so easy to do it. You cannot do it all in one year. You have to have a plan to reduce your capital for two or three years down to the \$75 million or \$80 million that they now speak of. If they do that, well then over two or three years it will show that you can do it and you can reduce your capital. That in turn will reduce your current expenditures.

Ms. Friesen: I think we would certainly agree with you that the extensive capital spending, particularly in suburban development, is one of the factors in the City of Winnipeg's current problems. I am still looking for solutions to the situation that Winnipeg has, particularly in its core area and in, sort of the second ring of urban development. Do I understand you to say that at this stage you have no long-range plans and that there has been no planning in the

department to offer any alternatives to the city for revenue raising?

Mr. Ducharme: I would say that we have no alternatives for them. We are working on it now, and we would like to see their proposal. We have our own. We have some proposals that I take to Cabinet and Urban Affairs Committee Cabinet.

We do have a proposal. However, that proposal will go through Urban Affairs Committee Cabinet first and might not be approved.

However, you did mention the suburban growth—well, you have to remember that I was on City Council and through that series, I approved probably in the vicinity of \$200 million under two Core Area Agreements over a 10-year period. That did not go under suburban growth. That did not go under suburban areas. Some people now are making more demands of suburban growth, but you have to remember that there has not been—if you take a look at the cheapest lands developed in the last five to 10 years, this has been the southeast section of the city and the south part of the southwest section because of the main lines that were put in. That is where the city developed because that was the cheapest area to develop, other than if you had some large areas in the City of Winnipeg in the core area, but unfortunately you do not have large parcels of land.

I think that, when council is looking at those subdivision agreements, they will look at what they have to recapture, but you have to remember, and I must say it again, suburban sprawl was not in the City of Winnipeg.

You want to take a look at sprawl, take a look at the outlying areas of the City of Winnipeg, or the East St. Pauls, Springfields and that, and the one- or two-acre parcels that have been developed, and that is what you call real sprawl. There has been no deviation away from Plan Winnipeg of 1986, none whatsoever. There has not been any expansion beyond the urban limit line. They have made some changes from industrial to residential. However, that is a plan that went through the public hearing process. That was the plan that was agreed to by the previous administration in 1986. That is what the city stayed with. Sure, they have asked for amendments and I know previous administration and this particular Government did not approve any. However, now they will go through the Plan Winnipeg and they will go through it all.

* (2130)

We have asked for them to have public hearings, go through the public hearing process, review Plan Winnipeg again because it is necessary to look at it every five years, and we will ask them to go through that public hearing process. Maybe during the Plan Winnipeg, you will find that is how you will get through your alternate methods of development through that particular process. We are hoping that process to be completed by, I think it was '92. The city has said that they are going to proceed with that process of reviewing planning.

The Acting Chairman (Mr. Eric Stefanson): Item 2.(c) General Support Grant \$7,635,200—pass.

Resolution 141: RESOLVED that there be granted to Her Majesty a sum not exceeding \$45,861,700 for Urban Affairs Financial Assistance to the City of Winnipeg for the financial year ending the 31st day of March, 1991—pass.

Urban Policy and Agreement Management: (a) Salaries \$447,900.00.

Mr. Carr: Is this an appropriate place to discuss the North Portage Development Corporation?

Mr. Ducharme: It is right on the next page if you want to get to that. We have 234 right over on the next page.

The Acting Chairman (Mr. Eric Stefanson): Shall the item pass—pass.

(b) Other Expenditures \$143,800—pass; (c) North Portage Redevelopment \$234,000.00

Mr. Carr: Mr. Acting Chairman, I have a series of questions on the North Portage Development Corporation. I would like to begin by asking the Minister when he expects the North Portage Development Corporation's chief executive officer and the members of the board to appear in front of a Legislative Committee?

Mr. Ducharme: I am surprised this question came up. What I did was I am negotiating with the House Leader right now to find out what committee it is to appear on. He will tell us and I am sure we are going to be appearing during this Session. I told the Member I think in private conversation that I would be writing the Members after I discussed it with the shareholders.

I did write Dr. Arnold Naimark on the public accountability of trilevel corporations. In my letter I said as a result of these problems and concerns expressed by Members of the Manitoba Legislature,

on July 31, 1990, the Manitoba Minister of Finance (Mr. Manness) requested a special audit. Then I mentioned that through that we would like him to appear as chairperson of the board and the chief executive officer in the North Portage Development Corporation, appear before a provincial legislative committee. Questions would be posed concerning the mandate and activities of the appropriation.

There would have to be an understanding that confidential information prejudicing either of the third parties would not be—or a commercial undertaking might not be available. It might not be available for him to discuss with the Members. I have asked him to appear, and I will be advising him when the House Leader has told me the committee that it will appear on. I will be requesting the chairperson to appear.

Mr. Carr: Mr. Acting Chairman, this is a step forward. There are millions of Manitoba tax dollars which have been unaccounted for over the last five years, dating back actually to the first Core Area Agreement. It goes back further than that. I would like to thank the Minister of Urban Affairs (Mr. Ducharme) and also the Minister of Finance (Mr. Manness) for this important step forward.

Accountability after all is the name of the legislator's game in many respects. We are responsible for the expenditure of some \$5 billion a year through the Estimates of this Government, and it is our role, as Members of committee, to ask intelligent questions the best we can to ensure that that money is being well spent. We have not had that opportunity with monies spent through the Core Agreement, through the North Portage Development Corporation and also through The Forks Renewal Corporation.

I welcome the co-operation of the Minister of Finance (Mr. Manness) and the Minister of Urban Affairs (Mr. Ducharme) to ensure that Members of this House have the same opportunity to question officers of these agencies that city councillors have had for many years. I understand that all three corporations will be appearing in front of a legislative committee, North Portage, Core and The Forks Renewal Corporation, is that correct?

Mr. Ducharme: Of the ones I have requested would be—one is from The Forks and one is from North of Portage. As the Member appreciates, the Core Area is accountable for all their monies, and it is accountable at this particular committee here.

You can ask any specific expenditures on Core at this particular meeting, and we will give any of them to you. We have lists of all monies spent by the Core Area, and we felt that the Core Area is a term type of—unlike The Forks and the North of Portage, it goes on and on and on for a long period of time. They are not as accountable at this committee as the other two are.

Mr. Carr: I am sorry, I missed that.

Mr. Ducharme: They are more accountable at this committee than the other two.

Mr. Carr: Mr. Acting Chairman, much of the last Session of the Legislature was dominated by questions about the North Portage Corporation, and in particular the Place Promenade, let us call it debacle, that required the Minister of Finance (Mr. Manness) to ask the Provincial Auditor to do an extensive audit. Has the Minister read the Auditor's report?

Mr. Ducharme: Yes, I have read the report, and I did go over some items briefly with the Minister of Finance. We felt that because of the recommendations of the Auditor, it was the reason why we wrote the letter to the two, North of Portage and The Forks.

You have to remember that the Auditor said in his report he found no fault with North Portage Development's administration. He did point out the main problem was a lack of public accountability in the way the corporation was first established. However to clear the air, that is why the audit was brought in, and he did mention in his Auditor's report that he suggests maybe they could appear before a committee. I think the Member is correct in saying the Minister did act. He did ask for the audit and I know that the Auditor interviewed the Member. The Member knows that they went through the whole process.

The North of Portage was very, very open when they went to the office. They were. They were very, very open with them when the Auditor went to the North of Portage's office. There was no reference anywhere in the Auditor's report that anyone was reluctant to give him information.

The only information they were concerned about was information where they are dealing with a third party. If they are dealing with, say, Cadillac Fairview who is also dealing in other sites of the City of Winnipeg, there are some rental accommodations that they feel are of a business nature, and they

should have some confidence in the way they deal with their clientele.

Mr. Carr: Mr. Acting Chairman, in the Auditor's report there was no reference made to all of the background financial material from which the Auditor made his ultimate judgment on the expenditure of some \$23.7 million in the construction of Place Promenade.

Is the Minister at all uncomfortable with the reluctance of the Auditor to make any of that background information public, and would the Minister support a request to the Provincial Auditor so that the air could be cleared, to use the Minister's words, that all of the background financial information be submitted for legislative review? -(interjection)-

The Acting Chairman (Mr. Eric Stefanson): Order, please. Honourable Members, we are trying to have a discussion here. If you would like you can carry it on in the hallway.

* (2140)

Mr. Ducharme: First of all, the Auditor is impartial. The Member can appreciate that. You have to remember though that the basis for this special audit mainly was to deal with Place Promenade. That is probably why the judgment was that we would bring them forward to come to the committee so that the Members can ask those types of questions dealing with their financial matters. I think through that process, like every other corporation provincially, I am sure that the people who are involved in the North of Portage will have no problem answering those questions.

Mr. Carr: Mr. Acting Chairman, I am interested in the vacancy rate at Place Promenade. Can the Minister bring us up to date on what those figures are?

Mr. Ducharme: The verbal vacancy rate that I have—and we are having a meeting on November 30 at North of Portage—was around the 20 percent factor. There are areas in the City of Winnipeg that are even higher. The only problem is when you are discussing vacancy rates, the same time when you were discussing vacancy rates last time in the House, I was asked the vacancy rate and I told them it was 20. When you are doing rent improvements or when you are doing rent for September 1 say, and you have 30 people lined up for 30 new suites, you could end up getting 30 vacancies in September, notice in September that you are leaving in October.

Also, the vacancy rate—usually people do not like to make vacancy rates public, because they do nothing for the market situation. They do not help when you are renting a block to start issuing vacancy rates.

To be honest with you, I do not think the Member is doing—if he is really concerned about the Promenade, I do not think discussing vacancy rates helps it. We are faced with the building, the building is always going to be there.

I know the Member supported the North of Portage urbanization. He knows that he supports that. He has for years supported North of Portage, said that urbanization—he wrote an article that it was necessary for the downtown. I know you support that, and we know the risk factor when you are dealing with urban revitalization. -(interjection)- No, but when you are dealing with it you do have a high risk factor and I think it is something that you are going to have.

Remember the Promenade—-(interjection)- I can read that sentence—the Promenade is one part of the North of Portage. I do not think the Member would question Prairie Theatre Exchange. A lot of money went into Prairie Theatre Exchange. These are the type of projects that you need when you are revitalizing the downtown area. If it was not a high risk factor, the Governments would not be in it, I will tell you, because nobody else would be in it. It is something that we have to do. It is one way of building the downtown area.

Mr. Carr: If it was not a high risk factor the Government would not be in it? Is that what I just heard.

Mr. Ducharme: That is correct. We would not have been in it in the first place.

Mr. Carr: So the Government was only in it because there was high risk?

Mr. Ducharme: Because urban revitalization is usually high risk. It does not pay its way generally for a long time.

Mr. Carr: There was not much risk for Imperial Developments obviously. In spite of the fact that the project went broke, Imperial Developments by all accounts did quite well. Can the Minister tell us just how well Imperial Developments did out of the project?

Mr. Ducharme: If the Member is saying that a developer, who probably lost an equity position of

\$2.4 million plus another further \$2 million in security money, forfeited when he lost ownership, did well, I do not think I could really answer any better than that.

Remember, this was not the Government that was involved in the original signing of that. We could question the previous administration's involvement in it. However, if you look at what was available for North of Portage, you wanted the housing component in it, and everybody talked that the housing component was very necessary for North of Portage. I think that it was not that bad an arrangement. You still have the building, the city and the province have not lost anything, the building is still there.

The Auditor's Report showed that no one has taken off with any monies, so I am saying to you that I think we are going to have to watch how the building is progressing, how the vacancy rate will compare to other private vacancy rates in the City of Winnipeg and, if it gets out of hand with what is happening in other buildings, then I guess we would have to show concern at North of Portage. We know what the vacancy rate is like in the City of Winnipeg. Martin Bergen's buildings, for instance, are showing the same types of vacancy rates.

Mr. Carr: Mr. Acting Chairman, I would like to establish the vacancy rate at Place Promenade. Cognizant of the Minister's remarks that it is not in the interests of the corporation to broadcast the vacancy rate, having said that he told us what it is. It is 20 percent.

Is the Minister prepared to let us have a look at the rent rolls to verify that figure?

Mr. Ducharme: I would say that you could probably ask that question when they appear at the hearings.

Mr. Carr: I will, but it should go on the record that each time I have asked the corporation for a vacancy rate, they would not tell me what it was, three, four, five times over the last number of months. I am gratified that the Minister, tonight, has told us that the vacancy rate is 20 percent and encourages us to question executives of the corporation to verify that. Have I got that right?

Mr. Ducharme: Yes, I said to you earlier the verbal that I have is in the 20 percent range and you could ask that question when you appear at the hearing.

Mr. Carr: Glad to have the Minister on the record in that regard.

What is the monthly shortfall of Place Promenade currently?

Mr. Ducharme: I do not have those specifics. You will have to ask that again. I think the Member—I know he is on the line of North of Portage, but I think it best be questioned. I would not want to give you particulars. I would hate to make the million dollar shortfalls that people are criticizing them for, and I am not going to commit myself to numbers. I do not believe I want to get into numbers. You can ask those questions.

Mr. Carr: Fair enough, I would be glad to enter into a debate with the Minister on this, but if he does not have the numbers available I appreciate that. We will ask the North Portage Development Corporation.

Ms. Frlesen: I wanted to ask the Minister about the policing of north Portage, because one of the things that has happened in the whole North Portage Development is that we have converted public space into private space and that there are now essentially private police forces security agents policing that area. I am wondering if the Minister has any comments on that on a philosophical basis, first of all, and second of all, what kind of comments has he had from the general public on the activities of the security people, security policies, at north Portage?

Mr. Ducharme: I have no problem with them hiring private police people to look in the areas. The City of Winnipeg, we knew that anytime you do have a place like North of Portage or The Forks, there will be a gathering place. I think that is the responsibility of the City of Winnipeg to act and look after those areas.

However, I have no problem with private working along with the public police. Remember, the private will only probably hold the individual, and then the police come and then they use the police, because really the private have very little power over what to do with the individual. Then they will go on from there to the police, and then they will be hauled into the police station and they will deal with detectives. They will use the police force. So private sector really is only to watch what is going on.

* (2150)

Ms. Frlesen: If that were the case, then I think that might be a reasonable policy, although I am concerned about the conversion of public space, that is, Portage Avenue, our main street, into

essentially private space, privately controlled. I think that is a philosophical issue that we would all want to look at.

There are, for example as I understand it policies in north Portage which prevent the taking of photographs. I have seen, myself personally, security guards prevent, in this case ironically an East German tourist—this was before the fall of the wall—taking pictures inside north Portage. Would the Minister have any comment on that?

Mr. Ducharme: I am not aware of that. Again you are asking for specifics that probably you could ask the chairman when he appears at the committee. You could ask him about that. He would probably be more aware of what their specific policing is for Cadillac Fairview and their renters and for the common element areas.

Remember that there are probably common element areas that maybe North Portage is responsible for. There are areas that Cadillac is responsible for. Maybe he can give you that information.

Ms. Frlesen: Can I follow up then on the IMAX Theatre, which is, I guess, the sub-appropriation we are looking at.

I understand there were, originally, proposals for IMAX to develop more films than the original one for the opening. Is that still the case? Where does that come in the budget?

Mr. Ducharme: I was not involved in the original IMAX, but I understand that there are profits being put away for establishment of that film producing. I do not know how they accumulate it, and I would not know what the amount would be at the present time.

An Honourable Member: Share in profits?

Mr. Ducharme: Share in profits. I do not know what the amount would be. I guess we would have to ask—we will look for it.

Ms. Frlesen: I am wondering, too, what kind of provisions were in there for that film to be made in Manitoba and those sorts of issues.

Mr. Ducharme: I was not involved when that was originally done so I do not know what—again that is something to be asked of the North Portage Theatre Corporation.

There is a footnote in the financial statements: "Contingency Fund and Film Fund. The Corporation has entered into an operating agreement with Manitou Theatre Management Limited and IMAX

Systems Corporation to establish a contingency fund to cover any deficiencies incurred by the theatre operations, and a fund towards future film productions. Interest earned on the funds is divided equally between the Corporation and Manitou Theatre Management Limited. One-third of net theatre revenue and one-third of film rental revenue is appropriated yearly towards the film fund."

Ms. Frlesen: What state is that fund at now? Is there any responsibility on the part of the province to ensure that it actually does become a film rather than a fund?

Mr. Ducharme: I have some figures here, but I would ask the Member to ask that when the North Portage comes forward.

There is some listing in here, but the numbers to us—I would not want to throw them out. I think that maybe you could get them to answer that when they come.

Ms. Frlesen: Mr. Acting Chairman, it is a procedural point at this stage. I do not have any more questions on North Portage.

I wanted to move on to The Forks, as a subsidiary of North Portage. Is this the appropriate place to do it?

The Acting Chairman (Mr. Stefanson): I would think it is appropriate to deal with The Forks under this section as well.

Mr. Reid: Mr. Acting Chairman, just for a point of information, I am not totally familiar with the Place Promenade which I believe was part of the North Portage development.

Could you tell me something about the Place Promenade, the accommodations there. Is it—

The Acting Chairman (Mr. Stefanson): Do you want to pull your mike a little closer, please?

Mr. Reid: Is it rental accommodations or is there a condominium type development in that complex?

Mr. Ducharme: It is a rental accommodation. There are also some subsidy accommodations in there.

Mr. Reid: Has any thought been given or any studies been done to determine whether or not there is feasibility in developing that for condominium use?

Mr. Ducharme: First of all, the Member must realize why the North Portage purchased that building back and why they did not allow it to go for foreclosure. It was in the hope that they get the building to proceed

to an equity position and then put it on the market place.

The idea is not to hold on to the building. If the North of Portage had their way they would be selling it today. However, the whole idea is to sell it when it is profitable to do so.

Mr. Carr: Regrettably, one of the consequences of the North Portage Development has been the massive vacating of the south side. Not only that, but if you look at the north side of Portage Avenue towards Main Street next to the North Portage Development, you will see that there are literally tens of thousands of vacant square footage for lease or for rent. The North Portage Corporation has within its mandate and within its budget \$1.2 million to spend on the south side of Portage Avenue. Up until only a few months ago, I believe not so much as a penny had been spent aside from consultants' reports. Can the Minister bring us up to date by telling us how much of that \$1.2 million has been spent to date and how?

(Mr. Deputy Chairman in the Chair)

Mr. Ducharme: The Member is correct. They did hire a south side co-ordinator, and he was hired by North Portage to deal with the aspects. He is to come back with a report. I know we will be dealing with it again on the 30th at our North Portage—I think the purpose and objectives was to provide and direct incentive for landlords to improve the physical quality of the building. He was to assist and recruit many new tenants for the presently vacant space. He was to encourage present tenants to improve, expand and redevelop their premises. He was to provide a catalyst for ongoing co-operative promotion of the area. That report will be coming forward. I am not aware, other than consultants, that they have spent any additional money.

First of all, the incentives that have taken place to date out of that for the south side, was the co-ordinator, Mr. Hart Mellan, has been hired as I said by North Portage. A \$700,000 Portage Avenue South Side Improvement Program was approved by the North Portage board on August 28, 1990. The program provides \$1 for every \$2 provided by the owners to improve the exterior store fronts as well as the interior premises to accommodate leasing to new ground floor tenants. There is an application that was provided to all the south side people, if they want to apply for that South Side Improvement Program. North Portage has recommended in the

Corroleus Report—the report has issued a proposal call for escalator connections to the existing skywalk system. Successful proponents will have to demonstrate if substantial additional investment will be made in their property as well as identifying the benefits to adjacent property lines. He has asked for a proposal call, so there will be a proposal call on the escalators.

As you know, or are not aware, our community police office at 378 Portage Avenue opened on October 17 through the co-ordinating efforts of the Downtown BIZ and the City in support of North Portage. There is also a merchants' activity park to be located in the vacant lot at 400 Portage Avenue as recommended by Council's ad hoc committee on the south side. South side story awaits approval by the Board of Commissioners. They were supposed to approve that some time in October, and the completion of the concept and plans were facilitated by the Department of Parks and Recreation. A group of south side merchants through the co-ordination of North Portage—

I am saying, that I think they mentioned that they have also—and this is a letter from North Portage—met with the Works and Operations Committee to address the need. They have no money, so I imagine we will get our figure. -(Interjection)- As a result of that improvement program they have opened up one store, and we do not have the figures from that yet.

Mr. Carr: I think, Mr. Deputy Chairman, I asked how much had been spent.

Mr. Ducharme: I think by what I read they are ready to spend it all. The Member might laugh, but he just asked a question in the House a couple of days ago, and I just gave him the information.

Mr. Carr: The Minister intends to propose the idea that there ought to be one downtown redevelopment corporation. This was an idea accepted by his Party during the most recent election campaign. We will not take any pride of authorship. The Minister and his Party have accepted the idea as a good one and we accept that.

Can the Minister let us know how far along the concept is with the partners at the city and the federal Government, and when we can expect an announcement?

* (2200)

Mr. Ducharme: First of all, I know that the Member would like to take complete credit for that, but it can

go back to 1988 when it was first discussed by this Member. Obviously he wants to take credit, and I do not mind as long as something good comes of co-operation with Governments. It is very unusual we get those kinds of co-operations. I am willing to let him take his credit for it because he did push it a little bit, but this Minister did mention it first.

I have written the other two shareholders. I have asked them for their co-operation and their commitment to addressing the issue and amalgamating the two. To be honest with you, we are on record, and I agree with the amalgamation. I think that would be the right place to go now.

If for anything else, it would be because of the misunderstanding out there that the North of Portage is competing with The Forks for projects. That bothers me as a Minister because anyone who has been involved in the North of Portage and The Forks knows that is not happening because they are two different mandates altogether.

Unfortunately, that stays out there. If it means we are going to resolve that situation about people thinking that, and if we could admit it, maybe it is time now, there might be some dollars on administration costs, and there might be times that some of these projects that people thought were coming to The Forks, maybe the North of Portage can make use of them, all the best.

I have gone on record, and without speaking out of track, in a meeting with the federal Minister, he did say that he probably favours a combination of the two.

Mr. Carr: Mr. Deputy Chairman, Issie Coop recently resigned as chief executive officer of the North Portage Development Corporation. What was his salary at the point of his resignation?

Mr. Ducharme: I believe it was \$140,000 a year.

Mr. Carr: I understand he was not replaced by another chief executive officer.

Mr. Ducharme: No, he was not.

Mr. Carr: Therefore the corporation now is being run by a general manager?

Mr. Ducharme: That is correct.

Mr. Carr: What is his salary?

Mr. Ducharme: I would not want to give you that salary, I would be guesstimating. I know what vicinity it is in, but maybe you could ask the chairman when he comes forward.

That was very, very adamant, when Issie Coop left, as a Minister, that we not rehire at this present time, a chief executive officer.

Mr. Carr: The Minister was involved in that decision then?

Mr. Ducharme: I was advised of that decision, that they were going to have that meeting. My people who sat on the board came to me and said they were discussing the situation. They asked me what my opinion was, and I told them I did not want the chief executive officer to be hired at this time.

Mr. Carr: Does the same logic hold true for The Forks Corporation?

Mr. Ducharme: We are not losing the chief executive officer of The Forks Corporation.

Mr. Carr: Okay, we will get into that discussion in more detail when we discuss The Forks. Is there any evidence that North Portage is, in any way, hindered by the absence of a chief executive officer?

Mr. Ducharme: I would not believe so.

Mr. Reld: I have a couple of questions going back to some earlier comments by the Minister concerning the type of rental accommodations in Place Promenade.

Earlier statements indicated there was a 20 percent vacancy rate in there. Could the Minister give me some indication as to what the rental fees are for these accommodations in this building? Is there a range in there? If there is, could he give me a high and low figure?

Mr. Ducharme: You would probably have to come to the meeting when we bring forward the North of Portage board. He could answer those questions. I do not know what the range of their accommodations is. All I am told is that they are in the moderate range, whatever that means.

Mr. Reld: Is that the Minister's statement, the moderate range, or that the manager for the—

Mr. Ducharme: That is what I am told by my staff. It is in the moderate range.

Mr. Reld: I am trying to get a feel for what moderate means. Moderate to others is not the same thing.

Mr. Ducharme: I would suggest that you ask and you get the specific figures because there are different types of suites in there, if you have been in the building. There are some suites that have two bedrooms, two baths, it can be shared by two people

working. They can give you those figures. I would suggest you ask them when they come forward.

Mr. Reld: With the 20 percent vacancy rate figure that was given, could the Minister give me some indication as to what proportion of the accommodation is subsidized that is vacant versus the non-subsidized portion?

Mr. Ducharme: No, I could not give you those figures.

Mr. Reld: Will those figures also be available from the—

Mr. Ducharme: No, I guess—

Mr. Reld: I will rephrase the question. It is a bad question. It was worded poorly. I will reword it for clarification purposes.

The figure 20 percent in the vacancy rate was stated earlier by the Minister for that particular building in the rental accommodations. What I would like to know is, what portion of the units, the 20 percent vacancy rate, that are subsidized are going vacant versus those that are non-subsidized?

Mr. Ducharme: I could not give you that information. When I mentioned subsidies, I am pretty sure—and I have to recall when we opened the place, I opened it in '88—I believe there was a couple of handicap suites that would get rental supplements. I could be wrong.

Mostly it is geared to straight rental income. How many of the suites are subsidized, I would not know. If you look at the block, it would be mainly called a private rental accommodation and very little subsidy is in it.

Mr. Reld: So it would be best for us to get that information when they come before committee?

Mr. Ducharme: Especially when you are talking about vacancy rates. I told you that the verbal information I received was 20 percent. However, I have not confirmed that, and I will not be able to confirm it until we may meet with them in November, or you can confirm when they sit down with you at the table.

If you want to know how many suites are available or what the prices are, you could ask them about the price of suites because that is common knowledge. If somebody asks, how much do you charge for your suite, you could find out and you could say, what is the range of your suites.

They are dealing in the private sector. They do have a rentalsman looking after it.. It is a private

business looking after it to rent their suites for them. If you phoned up and said, how much you charge for your suites, they will gladly tell you.

Mr. Deputy Chairman: Item 3.

Ms. Friesen: I wanted to talk about the amalgamation issue. I agree with the Minister that The Forks and North Portage are perceived as competing for the same kinds of projects. I also agree with him that they are not, in their mandates, competing for the same kinds of projects. I wonder how amalgamation is really going to solve that issue of perception.

I have a number of concerns about the amalgamation issue. One is that it seems to me to be creating a megacorporation that is going to look at the development of downtown Winnipeg in the absence of a development plan by the City of Winnipeg for downtown.

* (2210)

The second thing is, it seems to me that it is taking the development of downtown Winnipeg further away from citizen participation. I wonder how the Minister would respond to those issues.

Mr. Ducharme: Well, first of all, I never suggested that you would take it from citizen participation. Your board could be a combination board. Your boards from the Forks could work in separation of the ones that are on North Portage. They can work together; however, I think maybe the original mandate of The Forks was that The Forks—and the previous administration is the one that signed the agreement—pay its way. However, because of the success of The Forks, people maybe now have a new idea on what The Forks should be: no development.

I know the Member for Wolseley (Ms. Friesen) sat on The Forks. She knows the original concept was that it should pay for its way at some time, even if you develop just the existing buildings and made use of them to pay for the rest of the park-like setting.

You know you hear rumours that some people would like to fill The Forks up. You hear rumours that maybe if you are going to do development—and there is still some development left in North Portage—that is where some of your cash flow will come from. Maybe the idea is to develop a little more than North Portage to help pay for the parklike setting that you have at The Forks.

I am sure before a definite agreement of putting

them together—we did ask our administration in early September or late August to come back in two or three months to give us the pros and cons of putting them together. We have asked for that.

I think that North Portage now could probably deal with less administration than what they had before. I think maybe they should have to gear towards more of a marketing situation and not a development situation. So maybe it is a good time to combine. I do not know.

I guess the real problem is that people now perceive The Forks as a different type of program. They think it should be only a park; and, if you are going to have only a park, then there has to be other means of making The Forks pay. They cannot pay under the existing structure that we have.

Ms. Friesen: At this stage, I was really looking at the amalgamation of the two corporations. So the kind of structure that you are envisioning at the moment could incorporate two separate boards, two separate kinds of goals?

Mr. Ducharme: You can have the same corporation with two boards. You can have two boards that might have different ideas on what they think The Forks should be and what the North Portage—you could have people with different interests, because you do have The Forks as a different mandate. The Forks is a different type of development. People more and more everyday perceive it as a different type of development.

Ms. Friesen: In these two corporate boards or parallel structures, or whatever eventually comes out of this, is there any potential? Are you considering any kind of election of board members, or are you looking still at appointed board members?

Mr. Ducharme: We have not gotten to that. I think that when you are dealing with boards, the Governments have a direct policy input. I see nothing wrong with the way they have been appointed. I have no question about the way they have been appointed. You could maybe look at some other method of getting some other citizen members to be involved. However, the members that we have had on North Portage and on The Forks, this is the way they have been appointed. They have been pretty good people.

Ms. Friesen: I am ready to move on to The Forks. Are the other Members of the committee?

Mr. Deputy Chairman: Item 3.(c) North Portage Redevelopment.

An Honourable Member: No. Wait a minute. The Forks is under this. Sorry. While you were out, we agreed to have The Forks under here as a subsidiary.

Ms. Friesen: The Forks is coming to the end of its first five-year plan, and I am wondering what procedures are being put in place for the development of a second phase for The Forks.

Mr. Ducharme: The same procedure that it was before—that is, they asked people to give proposals on what they felt should be in The Forks area. I would really, myself personally, if you are asking me about the provincial Government, I would like to see the three buildings developed. That is the Johnson Terminal, even the B & B Building and the high stack, the steam plant. I would like to see those three buildings developed.

I am saying: Develop them with a means that they can at least pay for part of The Forks, because that was the whole idea of it. If we do not use those buildings to help pay for the rest of The Forks, then there is going to have to be a totally new mandate established by the three partners. As the Member is aware, it cannot rely on the Market by itself, and you would not want to fill up too much more of the other property. It is a beautiful site. So I am saying that I would like to see those three developed so that they pay for part of The Forks.

Ms. Friesen: I understand what you are saying about the self-sufficiency of those particular buildings. Is the Minister prepared, and does he know if his partners are prepared, to look at a new mandate for The Forks in the second five years? Whatever period.

Mr. Ducharme: I would not be wise to tell you that we have not discussed it; and, if you are going to have a new mandate, then I guess what you do is go out to public hearings again and hear what the people have to say. I do not know whether the Governments would be ready to put new monies into The Forks.

As the Member is aware, there has been approximately \$26 million or \$27 million put into The Forks development, and I do not know whether the Governments, at this time, are ready to put any further monies in because they went in on the process that they would be self-sufficient to at least make it pay and there is not enough there now to make it pay.

The taxes alone, the City of Winnipeg's, are in the

vicinity of three-quarters of a million dollars. If the councillors in the City of Winnipeg are suggesting that it remain as a park, maybe they are going to have to suggest that it could be zoned partially as a park and give up some of that tax revenue. You cannot have it both ways. You cannot say, I want it as a park, and then say, I want to collect taxes as an ongoing, money-making type of operation.

Ms. Friesen: Is the Minister prepared to recommend to his representatives on that board that those public hearings begin?

Mr. Ducharme: The other two shareholders and I have discussed it, and I am sure something will have to be done, because you are getting closer and closer to that mandate of when The Forks will not be able to carry itself.

Ms. Friesen: Could we look back then at the first five-year plan and see what has been accomplished and what still is yet to be accomplished from the agreed-upon goals of that five-year plan? One of the areas was housing; another was a recreation centre of some kind; a third was a Native centre; and a fourth was a multicultural centre. Can the Minister give us some indication of where those projects will be by the end of the first five years?

* (2220)

Mr. Ducharme: First of all, you would not put housing inside The Forks at this stage. The Member for Crescentwood (Mr. Carr) has brought up, and everybody has brought up, the vacancy rate in the North of Portage. So why would we build more housing in The Forks?

I have not seen the proposals since I have been there, of the Native—I have not seen that. The recreation centre, if you are talking about the leisure centre, I know committee is in a meeting. The leisure centre and the Native centre have a steering committee and an ad hoc. I am not convinced that in the first five years—five years is up in '92—you might see at least one of the two. The leisure centre, I agree with the Member that you need more than a market to make it work.

There are other projects. A children's museum would be nice for the area. However, at the dollars that we have been looking at, it is not again something that will pay for The Forks.

Ms. Friesen: So as I understand the Minister then, the housing is on hold given the current market conditions, but we are still looking at a leisure centre, a Native centre and a multicultural centre?

Mr. Ducharme: Well, we had a multicultural centre; it was one multicultural or one culture.

An Honourable Member: I remember that one.

Mr. Ducharme: Yes, I remember that one. I think that we would look at any proposals; we have never stopped looking at proposals. There are groups out there looking all the time. I am saying that I have not received any—especially some who have some money other than Government monies to come forward and invest and make it pay for itself. I have not seen any.

Ms. Friesen: I suppose, Mr. Deputy Chairman, that is where I am a bit puzzled, is that you say that we are still looking at proposals. It seemed to me that this is a unanimous shareholders' agreement, where the three partners agreed upon a five-year plan with a series of priorities of which they have been able to achieve, certainly the riverfront element. I think that has been opened up very well to the public, and it is an enormous success for the walkway and the access to the riverbanks. I think, in some terms, the market part of it has been a partial success.

I do not understand why you say that you are continually looking at other proposals, when the priorities that the three Governments agreed to have not yet been fulfilled?

Mr. Ducharme: Well, first of all, the mandate of The Forks is to make it pay. When I say we are looking at other facilities, if that is the mandate—and it is the mandate that was established by the three original partners—then we have to look at other proposals, if we are having proposals come in that are going to continue to tax The Forks, so that we get to a point that The Forks can no longer exist.

I am more concerned at the present time as a shareholder to see whether there is a way to make it pay. In the original mandate there was a commercial and institutional use for The Forks. Those have not come forward. I guess they have not come forward because maybe they have been scared away also, because people I think out there do not agree with the original mandate of The Forks.

I really think that they think that The Forks—people you talk to and now that they are using it, are saying, hey, this is a beautiful parklike setting, and we do not want any commercial on this site. The City of Winnipeg has even drawn their own plans separate from the province and the feds,

saying, here is what we think should be there. They forget that they are our third partner.

They have said, well, here is what we would approve as a plan. I am not saying that I disagree with the original mandate of the leisure centre or Native centre, but I must say we are getting to that hour that we are going to need something. We are going to need something very, very soon to make The Forks pay. It is very, very close that The Forks will not be able to continue to operate under the setup they have now.

Ms. Friesen: I think financially that does look as though it is the case. Certainly, a great proportion of the money is spent. I gather the borrowing authority is stretched to its utmost. What I understand the Minister to say then is that in the time period of the current agreement, his overriding concern as one shareholder is that The Forks must pay for itself.

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

Mr. Ducharme: I am saying that either the original mandate pay its own or else the other three levels of Government will have to come up with some solution to extend its length so that it does survive, that you can put these others in. I am saying right now the important part is to make sure that The Forks can survive and pay its way right now.

Ms. Friesen: Mr. Acting Chairman, the Minister mentioned the Children's Museum. He has not mentioned the tourist centre. I wonder what the relative state of provincial commitment is to those two particular projects?

Mr. Ducharme: The tourist centre is finis. There is nothing in the tourist centre now as far as we are at The Forks. I am talking about as a Forks holder. I am not saying that somewhere down the road they could not come forward and the federal and provincial Governments' propose, but I am saying as a member of the shareholders, that is not one of the ones that we are planning to build at this time. I would say that I would not stop looking at other projects because I felt the leisure centre was going to be built there.

Ms. Friesen: Tourist centre.

Mr. Ducharme: Tourist centre, I mean.

Ms. Friesen: The Children's Museum, what is the level of commitment of the province and the shareholders to that project?

Mr. Ducharme: There is a lot of intent from The

Forks. The Children's Museum have come to the province, and there has been no commitment from the province so far on funding of any amount. I think they are now going about trying to get their corporate sponsorships. The door is open to them to see what they come up with, but there has been no commitment from the province in regard to the Children's Museum.

Ms. Friesen: Is the Children's Museum dealing with this particular department or are we looking at other funds from other departments, Tourism, Culture, Heritage and Recreation?

Mr. Ducharme: I imagine the vehicle would be Culture and Heritage, the one that they would be dealing with. They would only be dealing with this Minister because he is a shareholder of The Forks, and I would be dealing at The Forks.

Mr. Carr: Mr. Acting Chairman, the Minister has me a little confused on the tourist centre at The Forks. In the Estimates of the Department of Tourism, last week the Minister of Tourism said there was \$2 million set aside in the Canada-Manitoba Tourism Agreement to build a tourist centre at The Forks. Was the Minister not aware of that?

Mr. Ducharme: I was there at the time when he did mention it. He says they are looking at alternate sites. He did mention that it is not just at The Forks.

Mr. Carr: Is it the Minister's preference that it go to The Forks?

Mr. Ducharme: As a shareholder of The Forks and if it means this is a way of paying some tax and to keep The Forks afloat, I would be glad to see it at The Forks. I am a shareholder of The Forks. I would love to see it at The Forks.

Mr. Carr: So the idea is not kaput. The idea is very much alive.

Mr. Ducharme: I said that, and I said that I would not stop looking at other projects because I was confident that the tourist centre would go there. That is what I said.

Mr. Carr: Mr. Acting Chairman, I would like to ask the Minister how much money is left in The Forks Renewal Corporation's budget?

Mr. Ducharme: There are no monies. They are using their borrowing now to run The Forks Corporation.

Mr. Carr: What are they doing?

Mr. Ducharme: They have a borrowing allowance that they can use to pay for the upkeep, the taxes

and the market. They are using that money. There was a borrowing sum allowed, and they will use that until they bring The Forks in a position that it pays its way. That is why I had mentioned earlier that you will be drawing close to that period, and you have to have something on stream to make The Forks pay its way.

Mr. Carr: Is it the Minister's view that the same staffing complement is necessary to sustain the operations which are currently established at The Forks as there was to create them in the first place? In other words, I am asking you very simply, is the staff fully utilized at The Forks Corporation right now?

* (2230)

Mr. Ducharme: I would say that the staff is utilized, but you could ask when The Forks comes forward, and you can ask the CEO at the time what each one of his staff does. I have no idea what the job description is of every staff member.

Mr. Carr: The Minister argued just a few minutes ago that there ought not to be a new chief executive officer hired at the North Portage Development Corporation. He also said that he took an active part in that discussion. I am now asking very similar questions about The Forks Renewal Corporation, and the Minister says you will have to talk to the chief executive officer about that.

Mr. Ducharme: The Member for Crescentwood (Mr. Carr) likes to maybe move things around, but at the time there was a change going on with the staff. My people on the board asked me at the time what my views were of a CEO, and I suggested at the time that they not hire a new CEO at this time when we are looking at the amalgamation, possible amalgamation of the two.

Most of the people that are on The Forks are either on a consultant basis or a term position. That is why I am saying the Member, if he would ask the CEO when he comes forward, he can ask him which ones are on permanent and which are on consulting, and find out exactly how much permanent staff he has.

I think that would be the best way to do it. He is the one that wants to have them come forward to a special committee. I think that would be best for him to ask them when they come forward, what each individual staff person—if they were going to hire a new CEO now, and one was leaving, I would ask—and if they had come to me, I would probably

have to make someone ask me a question about hiring a CEO. I guess I would have to make that decision then.

The same as I did on North of Portage, I felt that—I think the Member would be criticizing me as a Minister if I were to have said, oh yes, hire a new CEO North of Portage and you found out today that we hired a new CEO two weeks ago, at \$125,000 or \$140,000.00. What I suggested at the time was that this was not the present time to be hiring a new CEO, and I have no—I am not embarrassed to say that they asked me and I gave them my opinion. I am sure they asked the other two shareholders.

Mr. Carr: How is the market doing at The Forks?

Mr. Ducharme: The market at The Forks is probably at a break even point. I think the biggest sum that we have right now making pay would be the three-quarters of a million dollars taxes that we give to the City of Winnipeg. To make it pay I think you need about \$1.2 million or something a year, and the restaurants are doing very, very well.

Mr. Carr: How much of a turnover has there been in the leasing arrangements at The Forks?

Mr. Ducharme: I would not know what the turnover is. Again you could ask the members when they come forward. I know the restaurant, there has been no turnover in the trade. The others if you look—I have been in there quite a bit—not a great deal of turnover, no different than there was if you went to St. Vital mall and saw the turnover over in there. I would say that this would be less in The Forks. It has been actually very, very—I know the Member has probably visited there numerous times. It is very, very successful. The market is successful, but it is not enough to pay the total cost of keeping The Forks going.

Mr. Carr: Mr. Acting Chairman, I am interested in the Minister's series of observations about where we go from here. He says that the original mandate of The Forks was to pay its own way, and then he adds that if you would consult with Winnipeggers, at least in his own experience, they would tell you that they like The Forks as a beautiful park-like setting. What is the Minister's view? He will be in a position of renegotiating the mandate, and he may even be doing that right now. Is it the policy of his Government that The Forks ought to pay its way or is it the policy of this Government that The Forks ought to remain a parklike setting?

Mr. Ducharme: I think I gave that answer to the

Member when I was first the Minister. I told him my advice to the C/O at the time was, take your time, do not overdevelop. I am still convinced that if we were able to have the three existing buildings that are there now to be developed, if you had that hotel that was recommended to be part of the one particular facility and develop the other two and they were able to pay a good portion, then we probably would have to develop very little of the rest of The Forks area. You do have sufficient draw just to do the market. However, I would say that you would probably still need something other than those three buildings.

Maybe the leisure centre is the answer to have it as an all-weather type of feature. Maybe this is what is lacking to bring the people forward to use The Forks. Myself, I think it is a great piece of property. I have been convinced of that since I first went to Ottawa in 1984 with the mayor, and we were able to obtain The Forks property. I am still convinced that we are not going to get that type of acreage again. If you stand in the middle of that acreage and look over and see north Portage and Main and you see the sky, you know the buildings, the City of Winnipeg and you look across at St. Boniface, it is a beautiful sight. So I would hate to see them fill it up, and I do not think that is anybody's idea now.

I do not think it ever was, but people have been confused with what proposals have come forward because there have been a lot of proposals that have come forward. The Forks, I do not think, ever intended to accept all the proposals. They felt that they wanted to look at the proposals to find out what would make that a very successful parklike setting with enough revenues to make it pay. That is all they are looking at. Not to make money, just make it pay.

Mr. Carr: Mr. Acting Chairman, has the Minister had any discussions with the chief executive officer of The Forks Corporation about the possible construction of a new arena on the adjacent lands to The Forks?

Mr. Ducharme: No. I have had discussions with the City of Winnipeg, because why would the chief executive officer of The Forks have any discussions with me on property that is not in his mandate? That is not his mandate. I have had discussions with the Core Area and the City of Winnipeg, because the Core Area is involved and we have had discussions with the city. I saw the original proposal. There are CN lands that are available that could be part and parcel of the whole site, but I have never had any

discussions with The Forks chairman. I am aware though that he likes an arena. He is a hockey fan, but I do not know where his preference is for the arena building. I have no idea.

Mr. Carr: Does the Minister rule out The Forks as a location for a new arena?

Mr. Ducharme: I rule out The Forks as a location for the new arena. I do not rule out the CN lands as a place for the arena, but I also do not rule out the one on Broadway. I am not talking about the parklike lands or the riverbank. I am talking about the CN lands that they can build hotels, do what they want with now.

Mr. Carr: Does the Minister not believe that if there were to be a new arena constructed on the CN lands adjacent to The Forks that it would affect the character and the quality of those lands?

Mr. Ducharme: Are you comparing arena to buildings and high rise, or what are you comparing it to?

Mr. Carr: I only asked the question, Mr. Acting Chairman.

Mr. Ducharme: I would have to see the proposal, the design of the arena and where it is on the CN land. There is a lot of land there. There is about 18 acres of land there that goes as far as almost to the Westin, and that is what I am talking about. Remember that those lands go all the way up toward the Westin. They go where Portage Avenue goes right through the middle of a building there. Those are all CNR lands so you are looking pretty far north of The Forks development.

Mr. Reid: Mr. Acting Chairman, I have a few questions about The Forks development area there. Winnipeg has always been considered to be, I believe, a transportation centre. The question I have concerns transportation into that area. I am wondering, I had heard it discussed previously about the possibility of the first steam locomotive, the Countess of Dufferin, being put on display in that area. I am wondering what progress is being made with that to this date.

* (2240)

Mr. Ducharme: There is a proposal that has been put forward by the railway heritage. They have got, as a matter of fact, a letter of intent that has been accepted for the steam plant building, but I guess they are like every one else throughout. They have

a letter of intent and they are out now looking for monies so they can develop that particular building.

Mr. Reid: Will the railway heritage people be solely responsible for funding of upgrading of that structure to house that Countess of Dufferin?

Mr. Ducharme: It will be a combination of the total heritage—whatever they have got—proposal. All that I know, they have a letter of intent and are going around trying to obtain monies from different Governments and different groups to accommodate that building.

Mr. Reid: Will the Province of Manitoba be contributing any monies toward that project?

Mr. Ducharme: The Province of Manitoba has not made any commitments to them or the Children's Museum.

Mr. Reid: Does the Province of Manitoba consider making any contributions to either of those programs for the future?

Mr. Ducharme: You are looking at a hypothetical question. I would not even speculate.

Mr. Reid: Nothing is in the works?

Mr. Ducharme: I am not in the know of any department that is looking right at this point to contribute toward those.

Mr. Reid: There was also some discussion concerning the possibility of a transportation museum in one of the buildings in The Forks site there. Could you tell me, what is the status of that project?

Mr. Ducharme: I am not aware of that. Maybe you could save that question for the CEO when he comes forward to the hearings here and ask him. He would know more in regard to that. I have not seen it as a Minister.

Mr. Reid: I will ask the chairman or CEO when he comes and appears before committee.

(Mr. Deputy Chairman in the Chair)

My last question, I believe, the Prairie Dog Central which has been a relatively good tourist attraction for the City of Winnipeg is currently being stored in the Transcona CNR Yards. I am wondering about the possibility of the Prairie Dog Central being stored or brought down into and run out of The Forks area as a tourist attraction which will obviously draw more people to that area. I would like the Minister to comment on that, please.

Mr. Ducharme: I think you would have to ask them,

if they are interested in doing that, to make a proposal to The Forks Board. The Forks Board does hear the proposals as they did when they first did their mandate. They looked at hundreds of proposals. There is a book out of proposals they might even—did they make a presentation at that time? I do not know but there was quite a few proposals made. If they have a proposal, they can go to The Forks and make such a proposal.

You could again ask the chairman whether—maybe they have. I might not be aware—I am not aware, I should say, of them making any proposal to The Forks. You could ask if there has been a presentation to The Forks by Prairie Dog.

Mr. Reid: I believe the Prairie Dog had been considered for that area. The Forks Renewal had tried to have some accommodations or programs set up to allow the Prairie Dog to run out of that area. There may have been some discussions with the Canadian National Railways at that time to allow that to take place, but it is my understanding that CN had said no to that proposal. I find it unusual that CN would say no to that proposal to run it out of that area, since it would be such a good tourist attraction and draw people to The Forks.

Currently, CN said it would not be good because it would have to run along their main lines. I find that unusual, because the Prairie Dog, currently stored out of Transcona yards, has to run out of the yards, run along CN lines to the St. James Station for it to operate on its normal route. I am wondering what the Minister would think about approaching the CNR to make some kind of concession to allow the Prairie Dog to run out of this area.

Mr. Ducharme: First of all, I do not see any other than maybe—the Vintage Locomotive Society presented June 29 by J. Sine, met the board on June 30, tenant, July 8, meeting with the board, seek new home for Prairie Dog, also, rail museum and streetcar access retention to Forks and Fork rail museum. So I would suggest you ask The Forks when they come.

I was not at that presentation that was made during that year. Maybe you could ask them what they thought of the presentation and why they did not perceive it as following up with a letter of intent or following it up, period. I would suggest you ask them, because they did make a presentation in '87.

Ms. Friesen: Just one last question on this. Is there

any prospect of any money for The Forks coming from the Western Diversification Fund?

Mr. Ducharme: Not that I am aware of. No.

I will correct that. There has been some, and it was for the boat basin. Some of the money for the boat basin did come from the Western Diversification Fund.

Ms. Friesen: As part of federal appropriation, not in addition to?

Mr. Ducharme: No, in addition to any other monies that the City of Winnipeg or Manitoba put in, over and above the three sharing.

Mr. Deputy Chairman: Item 3.(c) North Portage Redevelopment \$234,000—pass.

3.(d) Canada-Manitoba Winnipeg Core Area Renewed Agreement: (1) Payments to Other Implementing Jurisdictions \$874,400.00.

Ms. Friesen: I would like to discuss generally the Core Area Agreement here. Is this the right location?

Mr. Deputy Chairman: Yes, it is.

Ms. Friesen: I think the obvious concern that everyone has is what happens when this agreement runs out, which it is about to do very shortly. The Core Area has won awards in Edmonton. I think it is widely admired as an example of Core Area renewal and also of tri-level agreements.

My concern is why, under those circumstances—since everyone understands the benefits that it has had for Winnipeg and for all levels of Government—are we into a one-year extension? Why is the Minister pursuing that option or that policy?

Mr. Ducharme: First of all, I was involved, I guess, as a city councillor when the first agreement was signed, and I am convinced that Core Area, in certain cases, is a good program. However, the reason why I proposed the extension, I felt last time we went into an agreement, the second renewal, the previous administration was already seven months into the program or seven months past the expiry date before the agreement was signed. I felt that the monies could be funnelled for the next year to finish off the second Core Agreement, because there still are—they have spent approximately \$67 million of the 90 up until I think the end of September or October.

We could have public hearings, sit down, and hope to get a commitment from the other two shareholders that we are going to extend the Core

Area Agreement, whatever you call it. We will call it the Core for the sake of calling it a Core.

I wrote the other two members. I wrote them first of all on November 5 asking them to, and I will read out the paragraph, "As I stated in my letter of October 12, 1990, I believe that the one-year extension agreement is required to ensure that tri-level funds are fully utilized for activities that further the objectives of the initiative. As we know, the agreement was effective as of April 1, 1986, but in fact was not signed until November of that year. Consequently, the agreement was not fully operative in its initial year and extending it by one year will provide the five-year time span that was originally intended."

I am saying that we are on record as asking for that extension so that we can carry out the public hearings. You have a lot of people who are wondering what Core III is. I hate to keep calling it, I guess I will keep calling it, Core would be on the third renewal. People have different ideas. I would suggest that would be one good way of handling it.

* (2250)

Ms. Friesen: I agree. Let us call it Core III for the purposes of simplification here. What I understand then is that the Minister is the lead proposer on this one-year extension, and that its purpose is to give the other two partners time to make up their minds whether they are going to enter Core III.

Mr. Ducharme: The main purpose would also be to have public hearings, and that was the process before. I am hoping that I do receive a commitment from the City of Winnipeg and the federal Government to proceed with those public hearings.

Ms. Friesen: I know that the Minister has met recently with the federal Government on this. Could he give us some idea of the discussions with the federal Government on their commitment to a third Core?

Mr. Ducharme: The federal Government has not made any commitment on a Core III. We will be meeting with them later on in the month, and we stressed, and that is why I wrote again on the first of the month to the other shareholders, that it is imperative that we extend that year. The City of Winnipeg, the other partner, to be fair to them, have included in their five-year agreement or their five-year grant, five-year capital. They have included it, so that means they are probably in

agreement to it. I guess the one that we have not heard from yet is the federal Government.

Ms. Friesen: What plans does the Minister have, if the federal Government decides not to renew Core III or not to enter Core III?

Mr. Ducharme: It is hypothetical. I only hope that they will. I have given alternatives on how it can be addressed. I expect them to come to the table quickly and tell us what they feel. There has to be an answer soon because if they do not extend it then we are into March 31. We will be rounding it off and having the money flow. The commitments would have to be made by the end of March. The money would be flowed by the end of September.

Ms. Friesen: I agree that it is a hypothetical question, but we are I think getting into the situation where it will be an emergency. The programs in the Core Area, for example the educational programs, which have to recruit people and have to maintain staff, I think need to have some kind of long-term, even short-term, planning on this. What I am really asking the Minister for is what are his plans to ensure that those needs are met?

Mr. Ducharme: The only thing is because I think we are so close to getting an answer, yes or no, from the feds that I would sooner use my plan and our ideas when I negotiate with them at the table. I think that is the time to use those. Let us hope that maybe they come forward and say they will extend it for a year, they will go to public hearings, and that would suffice us right now.

Ms. Friesen: The public hearings, could I pursue that a little bit. What kind of schedule are you assuming for public hearings?

Mr. Ducharme: In my letter to them, I have outlined that. I did say that "Between January 25 and March 27, three policy committee members to hold a series of five evening public meetings to receive direct community feedback."

Ms. Friesen: Sorry, I missed them, could you repeat that?

Mr. Ducharme: Between January 25 and March 27, five evening public meetings.

Ms. Friesen: That deadline of January 25 is coming up pretty quickly. Has the Minister made any attempts to communicate this to the community and to particular groups in the community?

Mr. Ducharme: Before he does that, he should make sure that what I am trying to resolve is whether

the City of Winnipeg and the feds will sit at a table at those public hearings. Someone has to start the process. I have started the process, that is why I have sent out this letter, and it is not the first letter I have sent out. I did send out a letter earlier indicating that we would be in agreement, and now I have furthered it with a process that we felt would be very adequate. That is where we are at.

Ms. Frlesen: I am sure the Minister understands that most community groups would need a considerable length of time to debate their own position before presenting it to a public hearing. What kind of lead time is he prepared to give them?

Mr. Ducharme: I think you will have to have it resolved by the first of the year. Most of the groups that are going to be coming forward—I think they would have their planned preparations almost ready now once they see the third Core Agreement. Most of them out there will know, they have gone through two Core Agreements now. There will be other groups coming forward that will say what they consider the third Core Agreement will be like. I think the time frame would have to be early in the new year to get that first meeting going by the end of January.

It is not too difficult to advertise; it gets around pretty quickly about Core Area. People out there are very much associated and very, very close knit, and they know when things are going on.

Ms. Frlesen: I would like to commend the Minister on the principle of public hearings, but I would like to suggest that the deadlines are very short. What you are going to get in that kind of short space of time is, as the Minister suggests, presentations from groups who are already involved in Core Area, which is part of what you want, but are you necessarily going to get the innovation and the broader perspective on the development of the City of Winnipeg that we should be looking for at this stage?

Mr. Ducharme: I think so. You have got almost two months to have five meetings. I said between January 25 and March 27, you have two months to have five evening public meetings. People in the City of Winnipeg will go throughout the city to make themselves heard, so your first round of meetings would probably be with those who are quite involved in the Core now. Then you would gradually accumulate the other people who have input into the Core Area.

Ms. Frlesen: As the Minister knows there have been recent issues on the Affirmative Action Programs in the Core and, in particular, the pretraining program for the police force, I forget what the name of the program is.

Does the Minister have any comments upon the situation that exists there now where so many of the potential recruits have been turned down?

Mr. Ducharme: Unfortunately, when the question came up in the House, and the Premier had handled it—not unfortunate that he handled it, but unfortunately I was not there—because I probably could have added to it that he was not aware that I met all these graduates, the human justice. I did talk to Mr. August, I did talk to the Mayor; I expressed my concerns that “Why would the City of Winnipeg put us through a \$300,000 expenditure?” I read comments in the paper about these recruits being soft and meek. I will tell you, I shook their hands at the graduation ceremonies, and I met them, there was nothing soft and meek about these individuals. They certainly look very accommodating. To be honest with you, Mr. Scott-Herridge, whom I knew when I was with the City of Winnipeg, who conducted the classes, certainly has my blessing. He has the capabilities of conducting a school like this.

I do not know who to blame. I went to the mayor, and I talked to Jim August about it, because I was very, very concerned. I am wondering whether maybe someone who is normally involved in the selection of police officers maybe got their nose out of joint, because the same system was not being used. They could have probably taken all those recruits and gone through the present system. I think now that there has been, through the mayor and the chief, a selection process that is in place.

* (2300)

Maybe they are going to have to get more involved in the police. I think there were two or three—-(inaudible)- they had two I think at the time of the graduation ceremonies of the Human Justice people. Even if they are picking two, they are not going to survive. I am surprised they did not pick half a dozen or eight and put them through the academy. Scott-Herridge would know at the end of his course whether they could handle that academy.

Ms. Frlesen: I am glad to hear the Minister's comments on that, because I think it was a program which was very well-structured, both in the selection

and the graduation process. For those individuals, the seven of them who were rejected, I think it was a very difficult process. I think their future on whatever police force they apply to perhaps may be made more difficult than it need have been.

Mr. Carr: The Member for Wolseley (Ms. Friesen) has asked, and the Minister has answered, most of my technical questions about the process of renewal of Core, but I have some questions of substance for the Minister. Yes, it is important to have public hearings. It is important to canvass the views of the community.

I want to know what the Minister thinks. Has the Minister evaluated the success and failure of every program of the Core Area Initiative? Which ones are working? Which ones are not working? Which ones ought not to be renewed? Which ones ought to be renewed? We are interested in getting some glimpse, if not in detail, at least in sketch form, of just what the Minister wants to do with any kind of successor to the Core Area Initiative.

Mr. Ducharme: We do not get any specifics on each particular program of the Core. I will tell you one overall policy I would like to have, if we did renew Core III. I would be more in line of the acceptance that they had under the original Core Agreement. Right now we participate. We pay for a certain amount of programs X number of dollars. Under the original Core Agreement, on the PAs, it was split three ways, if the Member understands what I mean. I would sooner see that policy set up if there is a Core—that we all split one-third, one-third, one-third, instead of the delivery agent being the only funder of it. I think that the PA placement—the other that I would like to see is that it has to be a different process.

I know the City of Winnipeg probably will not go along with it as much because all council like to vote on it, but if you are to have a Core of three—right now the federal Minister and myself sign the agreement and then it goes to City Council and they sign it. It seems to be the process. It always has not worked. We have made our commitment, showed our cards and the city has come back and the mayor has not delivered.

I think that if you are looking at the image of programs, I would like to see more responsibility of us being a delivery agent like we are say with the housing. We are the delivery agent that is responsible for delivering the housing, wherever at.

The federal Government, you are not sure that all their monies are new monies under the employment, if you understand what I am saying, a lot of their monies could be old monies that they brought to the table. They were there anyway. Yet because of the Core, they were able to use their old monies to be part of the Core Area Agreement.

Yet we were bringing new monies and when you take a look at the \$100 million, the city and the provincial Government and their programs were all new monies where the federal Government was not necessarily new money.

Mr. Carr: Mr. Deputy Chairman, the Minister is talking about "old" monies and "new" monies and who delivers what programs. I am talking about what it is we ought to be delivering. I am trying to get the Minister's view of where the areas of greatest need are. You know politics, as the Minister knows better than I, is a series of choices.

What are the Minister's choices? What is it that is worth preserving about these programs? What are the lessons that we have learned? How can we do it better? What ought we to be doing better? What ought we to forget and not do again? I am really looking for some sense of where the Minister wants to go.

Mr. Ducharme: If you take a look at some of the programs that we have had, today they would not look as good as they did when we did the first Core. You would say, well, we are not going to have those again. You could look at other programs. I would ask my Ministers to sit down—I am talking about all my Ministers; I am talking Health, Education, Urban Affairs, Culture and Heritage—and give me their proposals on what they think the third Core would look like.

For instance, take Culture and Heritage. The Minister might decide that there should be some funding in the Core Area Agreement to do the heritage building. Maybe that is a program that she would like or her department would like to bring forward.

There was the Main Street Program. The Main Street is another proposal that I know that we could not afford to redevelop the whole of Main Street, but maybe there has to be more money focused-in on Main Street.

Yet I am very open. I did not see the original. I was not involved in the original hearings or the renewal of the second Core. I would like to sit through those

public hearings as a Minister, and I will sit as a Minister and I will go to those public hearings. I am not going to delegate my staff to sit in those public hearings. I want to sit in and hear what people want as renew, as you keep calling it, Core. I would not want to close that.

If I mention what programs I like and which ones I do not like, then I am defeating the whole purpose. There is, Oh! He has his mind made up now. You have somehow convinced me that some of the ones that I thought were not as successful as I thought they were, maybe you convinced me that it was a not bad program after all.

I say that is why I have stressed the idea that we go through public hearings and listen to the people come forward and tell us what they really believe the third agreement should be.

Mr. Carr: I will not proceed with this line of questioning because I will be the first to admit that I am not getting very far.

Mr. Ducharme: The Urban Native, for instance, maybe there could be ways to improve that. I am just saying that I am open-minded and I want to hear what the people have to say at the public hearings.

Mr. Carr: Okay. How much is unspent in the Core Area budget?

Mr. Ducharme: It is all committed, but unspent about \$33 million.

Mr. Carr: There are no monies unspoken for. Every dollar of Core Area money has been committed.

Mr. Ducharme: If you are talking about an individual program that you might move from one PA to another because it does not go through and it is not committed, you might have to move from one PA to the other. For instance, we have asked our people to come up with the capital—the main programs to make sure to let us know by December 15 whether they can work or not. If they cannot then we will have to look at other people who are standing in line seeing how their proposals will do. Basically it is all spent.

Mr. Carr: I know the Minister does not want to deal with hypothetical questions so I will try to phrase it in such a way that I cannot be accused of asking one.

The Core Area Initiative agreement expires on March 31, 1991. The Minister is arguing with his partners for a one-year extension. What are the contingency plans in terms of the staff of the Core

Area Initiative office? Do their employment contracts terminate as of March 31, 1991? Do they continue until all the money has flowed through?—and I believe the Minister said that is September.

It is very uncertain obviously for those who work at the Core Area office, and the sooner that a decision can be taken, the better. I am interested in knowing just what the Government's intentions are to give proper notice to the staff if the Minister is unsuccessful in renewing Core III.

* (2310)

Mr. Ducharme: In each particular program there is an allotment of monies, percentage wise, to administrate the different programs. For instance, the 6.3 that we administrate, there is a certain allotment for those programs, and when those programs run out then the staff is in a phase-out period. That is with all the programs. The province administrates the housing program. Then of course that is administrated by our own particular staff, and they are doing that along with the other programs.

There would be a phasing out period, but I am hoping that—that is the reason why I suggested that we have an extension of one year. We would not be necessarily in a hurry to use up the monies and reallocate them from one PA to another where we could leave them in the intended PAs that they were intended for. You would have a year to work them off and have a year to have your public hearing process, and you would know whether you are going to have a third Core.

Mr. Carr: Mr. Deputy Chairman, we all support—well, I will not speak for anybody else. We support the Minister's intention of committing his Government to a renewal of the Core Area Agreement whether it would be a year extension or something more than that. That may not be possible.

Are the Minister and his officials planning for the eventuality that there will be no renewal, that the Province of Manitoba may have to strike out on its own or in co-operation with the city? These decisions may come very quickly for the Minister. Is he putting all of his eggs in the tripartite renewal basket, or is he preparing for the possibility that the feds will not play ball?

Mr. Ducharme: I answered that question from the Member for Wolseley (Ms. Friesen) partially, and I said that I have proposals that I will take to the table when I am negotiating with the other two levels,

hoping that those proposals will be accepted by them and hoping that they will agree to my extension of the core.

To give those proposals out would be—

Mr. Deputy Chairman: 3.(d)(1) Payments to Other Implementing Jurisdictions \$874,400—pass; (2) Payments to Other Provincial Departments \$2,800,800—pass; (d)(3) Departmental Expenditures \$1,027,400—pass.

3.(e) Canada-Manitoba A.R.C. Agreement, that is just a vote on that one unless there is some discussion.

Ms. Frlesen: I realize there are no monies in this year, Mr. Deputy Chairman, but I am concerned about what is happening to some of the A.R.C. programs. In particular, I am concerned about the museum at Lockport, Kenosewun, which I gather had to close this summer, that some of its exhibits had not been attended to, they had to take them out.

I wonder if the Minister perhaps would like to comment, not so much on that specific one but on the disposition of these programs. Does he feel any responsibility for this?

Mr. Ducharme: I am not aware of the Lockport, but I am told that when the A.R.C. Agreement did consider projects, whenever you did a project, someone had to assume responsibility of that project. I could get back maybe information on that Lockport one, but I am not aware of it. That was probably one of the really good conditions of that A.R.C. program, that you did not have to worry about ongoing.

Ms. Frlesen: Well, that is my point, Mr. Deputy Chairman. We do have to worry about ongoing when the A.R.C. project—I mean, this is the first year really that it has been on its own.

In fact, one particular project does not seem to be at the stage that the original A.R.C. program would have desired. Some of these I know are very successful. I mean, the Kennedy House for example is very successful and a number of other ones are.

Mr. Ducharme: Most of them have been on their own for the last couple or several years. I am not aware of that one. I am just saying that when you are entering into a trilevel agreement and you have a term—someone has to pick up the responsibilities, because once everybody has got out of the program, who picks up the pieces. That is why it is very, very important to have that type of condition.

We have looked at another program to redeem a riverbank. I am hoping that maybe some of these issues can be resolved when you are dealing with development and these types of things. That was the whole intent.

I am hoping that the other two levels of Government will come into that one. So far I have not had overwhelming response. I am meeting with a couple of councillors finally because there was a misunderstanding of what that program had involved, I mean, because I read in the paper of what some comments by some of the Members were that were on a committee, their Rivers Committee.

Well, I did write them, and they did come back to me saying they had misunderstood some of the conditions of that riverbank development. I am hoping through that, maybe they will agree to come into our program.

Ms. Frlesen: Mr. Deputy Chairman, I would be pleased if you could get back to me on Kenosewun. It was an excellent museum. I actually used to take my students to it every year. It was one of the few places where you actually had an archaeology dig plus a museum. It was very small-scale and, I thought, very well done. I am disappointed to see that it is falling by the wayside.

The second thing that concerns me also with the art program is the expansion of St. Andrews municipality and the suburban or whatever the term is, extra-urban development along the River Road. I wonder if the Minister, as the Minister formally responsible for the art program, has any concerns about the alteration of the historical character of River Road.

Mr. Ducharme: I will have to check again, because I was not aware of it. The only thing I will do is get back on Lockport.

If you want to talk about growth in the outlying areas, it was this Government that brought in a regional planning committee to meet finally. They had never met with the City of Winnipeg—I am talking about being a member of a committee—to deal with these issues. Now with just recently doing away with the additional zone that did not work anyway, it just was trouble, they will have to go on to their own planning acts and deal with that problem of planning.

The numbers that we have received on lots and one or two acres that are available, last about 2,015 or something. It is amazing the amount of one and

two acre lots that are out there. We have even got a report that showed that there was a large number. People are moving there. They felt that they could have cheaper taxes moving somewhere else and leaving the city of Winnipeg.

Ms. Frlesen: There does seem to be a very rapid expansion, Mr. Deputy Chairman, in the last two years particularly. I wonder in the Minister's conversations with these—I do not know the right term to use, but these ex-urban—

Mr. Ducharme: They are called the Regional Planning Committee. We will bring up your concern to them.

Ms. Frlesen: What I am concerned about is that in their planning they address issues of design and heritage.

Mr. Ducharme: We could bring that up and ask them. That is what the whole idea of the committee is, and we are meeting in January.

Mr. Deputy Chairman: We will now move on to 3.(f) Riverbank Development \$50,000.00.

Mr. Carr: Is this the appropriate place to discuss the walkway?

Mr. Ducharme: That should have been under Core, because it is—but it does not matter.

Mr. Carr: I have a very simple question. I believe that the walkway connecting the banks in front of this building and behind this building to The Forks were to have been finished in time for the Royal visit this summer. What happened?

Mr. Ducharme: The only thing we were hoping to have finished was the boat basin. They had not planned on having the walkway finished for the Royal visit. If you are wondering what has happened with the walkway, we would love to finish it. However, as you can probably appreciate, they are private lands. Private lands go right into the river. There are a few holdouts. We are not ready to expropriate because everyone in the area has been very co-operative, giving us the land for a dollar. Now to go back and expropriate, or get involved in negotiating with the other ones and to start paying them large sums, would be irresponsible.

* (2320)

It is not as bad now as it looked a couple of months ago. I believe there are only one or two holdouts. It looks like they might come on side, and maybe we could finish it. I guess the only alternative if they had not, is to go up the riverbank and then go around

them and go down Assiniboine and maybe have a little sign that these people did not want us walking by their property. It is a beautiful walk. I think when they see all the people who are walking—I was down there on Sunday, along that walkway. It is gorgeous. I think there is primarily one major holdout right now.

Mr. Carr: Who is negotiating?

Mr. Ducharme: The Core Area is, and the mayor and I. We have been able to convince two out of three. Now we are down to one. I would not want to say anything, it might cost us a dinner.

Mr. Carr: I am interested in the completion of Louis Riel Park. Is this the appropriate place? Can the Minister bring us up to date on where we are?

Mr. Ducharme: First of all, there was funding allotted to do an overall development look at it, in case we are going to be moving some shrubbery and plants around in the next couple of years.

We figured we would get an overall plan. There is no use moving them and then have to move them again. The walkway and the dock will be finished and ready this fall. As money becomes available, we will finish the total park area. I am talking about right up to the back door.

As you know, we consulted with the people in the area. They were all very, very happy with the solution of having an emergency way to get onto the road.

It is very, very pretty, however. The big thing now is to find out where we can get—as you know, Urban Affairs does not have any source of revenue, other than taking in and putting out again, other than maybe the Shoal Lake Agreement we had that came from Finance and we put it through to solve that one. Maybe there are things coming up in the future that we could tie into, maybe we could convince. I have some ideas that I have been tossing back and forth with my staff. As the money comes available, we have the overall plan. As the money comes available, people in the area will know what we will develop there. We will not stray from that development.

Mr. Carr: Is there a scheduled completion date?

Mr. Ducharme: No, it would be done in stages. You could probably finish up the lawn area, including the statue. The statue stays there, or whether you go up to the Assiniboine, include the Assiniboine where the Assiniboine is. You could do it in stages.

Mr. Carr: To pick up on the line of questioning that my colleague from Wolseley began a little while ago, it has always struck us that bicycle paths by the rivers are a good idea. Does the Minister have any plan to create such paths, particularly in this area?

Mr. Ducharme: That really is not under my jurisdiction as Urban Affairs to get involved in that. I know there are people that are proposing to the City of Winnipeg. If the City of Winnipeg comes to us with bicycle paths, and they say that they want to use some of their capital under the urban capital, I think it would be a good idea.

Mr. Carr: Yes, but it could be part of an overall riverbank development scheme. We are talking here about trying to establish these paths next to rivers and presumably could be a part of the Minister's riverbank development strategy. Is he prepared to consider it?

Mr. Ducharme: We used to have those before. We called them monkey paths. We used to ride our bikes on them all the time.

Mr. Carr: Right, you bet we did.

Mr. Ducharme: I used to do all it all the time. They were there.

Mr. Carr: You were young once. I just said, Mr. Deputy Chairman, that the Minister, too, was young once.

Mr. Ducharme: I have no comment.

Mr. Carr: I wanted that on the record.

Mr. Ducharme: I was young recently. I have no problems with the bike paths. I like to ride my bike.

Ms. Frlesen: There is some concern in the community, perhaps particularly in the Metis community, about the fate of the Riel statue. Could the Minister assure us of its continued presence in that location?

Mr. Ducharme: You did not get the same letter I got then. I mean when I started this park, I was told that I could not name the park, Louis Riel Park, unless I tore down the statue. I have a letter from Mr. Dumont saying that. They want it torn down. I said, as Minister, I do not have that right. I have assured everyone that we will not be -(inaudible)- with the park until we have that resolved and that will be part of the overall planning.

I can assure you there will be discussions because when I built the dock, they thought I was proceeding with the park and going around their statue and not tearing the statue down. They were

very, very annoyed. So I can assure you there will be consultation.

As a matter of fact this statue is not my—as Urban Affairs Minister, I would not have anything to do with tearing down any statues.

Mr. Deputy Chairman: 3.(f) Riverbank Development -(interjection)- Order, please.

The Honourable Member for Wolseley, another question.

Ms. Frlesen: I just wanted to assure myself that there would be continued consultations, and the naming of the park, has that taken place?

Mr. Ducharme: No, there is no official name, but we keep saying it is the Louis Riel and we keep specifying that. I have been told by some groups of the Metis, that I can not even call it that, unless I take the statue down. I have a letter on record saying that.

So that is why I said, I do not think you got the same letter I got.

Mr. Deputy Chairman: Item 3.(f) Riverbank Development, \$50,000—pass.

Resolution 142: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,578,300 for Urban Affairs for the financial year ending the 31st day of March, 1991—pass.

4. Expenditures Related to Capital (a) North Portage Redevelopment—there is no figure there. We dealt with the North Portage at a line further up.

4.(b) Shoal Lake Agreement. There is no vote on this one.

Ms. Frlesen: I understand there is no vote, but I wonder if the Minister could just bring us up to date on the negotiations—this is Band 39 that it applies to. Could the Minister bring us up to date on negotiations with Band 40?

Mr. Ducharme: We have just started negotiations with Band No. 40.

Ms. Frlesen: Mr. Deputy Chairman, do you have a time schedule for that? Are you expecting to complete them by a particular date?

Mr. Ducharme: I hope it does not take 12 years. We just started meeting with them and I think we are meeting with them just before Christmas or early January.

Ms. Frlesen: I wanted to ask about the federal contributions to the Band 39 agreement. This is a contribution in kind is it still?

Mr. Ducharme: Yes, they gave half a million dollars in cash and then the rest is for economic development. It is equivalent sewage treatment. They must do the sewage treatment; they must build the sewage treatment for them, it is also included in the funds.

Ms. Friesen: You were talking in the Core Area Agreement about the possibility that the feds are actually putting "old money" on the table. Does the Minister think that is the case here?

Mr. Ducharme: No, I think that in this particular case the Native band felt that they got what they wanted out of it. I think we came a long way in a couple of years. I do not think—that was not discussed years ago. I do not think it was involved years and years ago; there was not discussion when it first started. I recall the Indian band did not consider it "old money" when they signed.

Ms. Friesen: The amount that is disbursed each year is \$600,000.00, is it?

Mr. Ducharme: The interest on \$6 million is dispersed annually, and then pro-rated. Say they go 10 years and it goes to 15 with the option. Well, then they would get 15 share of the—no, one-quarter of the total.

* (2330)

Mr. Deputy Chairman: 4.(c) Financial Assistance to the City of Winnipeg \$14,900,000—pass; (d) Riverbank Development, \$170,000.00.

Ms. Friesen: I have a question, Mr. Deputy Chairman, about the Riverfront Corporation. It seems to me we are getting into corporate development again, along the same lines as North Portage and The Forks. I wonder if this is the way to go, or what kind of corporation the Minister is considering at this stage?

Mr. Ducharme: The difference is direct election.

Ms. Friesen: There are public hearings to set for this particular program, are there? When do they begin?

Mr. Ducharme: That would be up to the mandate of the corporation that was elected. They would set the mandate. I can get you a copy of the mandate if you would like it. I will get you a copy of the report. I am sorry; I just assumed that you had received it, but I can get you a copy.

Ms. Friesen: No, we did not receive one.

Mr. Ducharme: I distributed I guess it was about a year ago, before the election. I will get you a copy

of that. It will give you the—that is where the confusion was with the city. They thought it was another Forks and another North of Portage, and it outlines a mandate and a few other—have you got a copy of it?

An Honourable Member: No, I have a copy of the press release.

Mr. Ducharme: I will get you a copy of the report also. It outlines how you would form the corporation.

Ms. Friesen: Could you just give us a quick time line on that? What is happening now and what is the next—

Mr. Ducharme: The only time line is I have been pleading with the other two levels of Government, ever since I made the announcement in July of '89, and now I see a little bit of light from the city. However, if you will notice, the mandate is not just for the City of Winnipeg, the mandate is for the outlying areas too. I think that is very important. You would have to include them in it, and so Selkirk has asked to come in, and without federal—maybe, we will see what happens.

Ms. Friesen: The schedule for that then is, are we looking at six months? Are we looking at a year, three years?

Mr. Ducharme: I am meeting with the city. The new councillors that are on the new committee, I am meeting with them within a couple of weeks, and I am hoping that maybe in our future delegation I will get an answer from them one way or the other, but I noticed that they have not put that in their five-year capital. Here is a case of where you were asking me—who was it earlier, I think it was the Member for Crescentwood (Mr. Carr)—whether I should put strings attached to capital projects. I guess this is one way: you negotiate, negotiate. You feel so committed to it. Maybe this one that you would say, yes, I think you should. Remember, each one puts in \$90 million and the city thinks it is only their \$90 million. I think that maybe this is a time that you would go to them and say, I think it is a real good program; I think you should come in and help.

Mr. Deputy Chairman: Item 4.(d) Riverbank Development \$170,000—pass.

4.(e) Acquisition/Construction of Physical Assets—Canada-Manitoba Winnipeg Core Area Renewed Agreement: (1) Payments to Other Implementing Jurisdictions \$3,968,200—pass; (e)(2) Payments to Other Provincial Departments

\$1,554,700—pass; (e)(3) Departmental Expenditures \$560,000—pass.

Resolution 143: RESOLVED that there be granted to Her Majesty a sum not exceeding \$21,152,900 for Urban Affairs, Expenditures Related to Capital, for the financial year ending the 31st day of March, 1991—pass.

The last item to be considered for the Estimates of the Department of Urban Affairs is item 1.(a) Minister's Salary \$10,300.00.

At this point, we request that the Minister's staff leave the table for the the consideration of this item.

Item 1.(a). Shall the item pass?

Ms. Frlesen: Is this the time for closing statements?

Mr. Deputy Chairman: This is the time.

Ms. Frlesen: I wanted to thank the Minister and his staff for their time in this and for their patience at this late hour, and I think in my closing statement, very simply to hope that the Minister is able to bring the other partners to the table for the renewal of some kind of Core Area Agreement. I think this is one of the most crucial areas facing Winnipeg.

I would like to see that the department become serious about an urban aboriginal strategy, and I think both short term and long term that is a very crucial issue. I would like to see some attention to the development of a downtown plan for the City of Winnipeg in consultation with the city.

Mr. Deputy Chairman: I would like to thank the Honourable Member for those comments.

Mr. Carr: I am a little disappointed that the Minister was not able to give us a clearer sense of where he wants to take the department in the next number of years. One of the strengths of this Minister, and I have commented on this many times in the past and I will again, is that he recognizes the contributions of others. He tends not to be a highly partisan Minister. He is very quick to recognize others at political gatherings, and I think he is probably the most gracious of all the Ministers in that regard. Those of us in the Opposition are very grateful for it, but the Minister lacks a certain specificity and sense of where he wants to go as the Minister of Urban Affairs.

I would hope that over the next little while he will share more of that vision with us. Maybe it is just that he is not in the mood yet to express it, that it is beginning to ferment and foment in his active mind and at the moment has not yet arrived for him to

share it with us. I think the time has come, and it has come for a couple of reasons. Winnipeg is at a crossroads. The Winnipeg 2000 report and what may happen in its wake, the speculation about a drastically reformed City Council, the end of the mandate of the Core, the musing aloud of a single downtown redevelopment corporation, the problems that face the inner city, and urban Native strategy, the rot of north Main and all the associated issues require leadership from the Minister of Urban Affairs.

Speaking for our Party, I can say that we will be monitoring the progress of the Minister and the department very carefully. We will be offering criticism where we feel criticism is warranted. We will be offering positive suggestions in the hope that the Minister would accept them and to wish him well, because the next period is crucial for the development of our city, the City of Winnipeg. The Minister can look to us for those who will co-operate, where we believe co-operation is in the best interests of Winnipeg, but also for sharp criticism when we believe that the Minister is skirting an issue, or obfuscating an issue or not bringing it the kind of leadership that we think it requires.

I would also like to thank the Minister's staff for being so helpful at a very late hour, and I look forward to working along with them in the months ahead.

Mr. Deputy Chairman: We thank the Honourable Member for those comments.

Mr. Ducharme: I can accept the criticism of the Members on what they perceive is lack of foresight in dealing with the City of Winnipeg. You have to remember, though, that as Minister some of the plans have taken a lot of work. The Urban Affairs branch is rewriting the City of Winnipeg Act, doing the Bills that came forward in the last Session, working on Plan Winnipeg, asking the City to review Plan Winnipeg. That was an issue of this Government and of this Minister. Working with the Bill on trying to get the Bill through and working on Vision and talking to the different groups, and talking to the different individuals. The actual Bill is a vision of the Minister. We are putting forward a planning that you will see when we file the next Session—a quite innovative type of planning. We feel that it has to be structured in the City of Winnipeg.

The Minister has been involved—initiated the airport study that has now been filed. Now we are

hoping that the airport study will be part of Plan Winnipeg. The Minister is involved in, as I say, the Shoal Lake Agreement. Maybe he does not see that as foresight, but there are different things that a Minister has to do to try to enlighten these people.

* (2340)

I think the results are your vision. I guess I am probably known more as a hands-on type of person than a visionary and that is the way I am and you are not going to change. The Member does know and I think the other critic will learn that over time that I do consult with the critic and I will continue to consult with him and I will consult with the other one when I need their visionary ideas and I always enjoy the part, we are only here for a little while, my staff says that in the two years that I have been involved as Minister there have been substantial changes. I look forward to the very exciting part about negotiating the Core Area Agreement again. I really look forward to negotiating of getting The Forks on its way and getting out of the doldrums that we are in. I really look forward to the look and after the amalgamation of the two, the Core and the North of Portage, that the Member for Crescentwood says was his idea. Part his idea, we consulted him, I think, he helped with it. I look forward to all these exciting things that are going on. All I can say is, I would like to thank the staff and I look forward to the constructive criticism of the critics. Thank you.

Mr. Deputy Chairman: Item 1.(a)—pass.

Resolution 140: RESOLVED that there be granted to Her Majesty a sum not exceeding \$478,900 for Urban Affairs, Administration and Finance for the financial year ending the 31st day of March, 1991—pass.

This completes the Estimates of the Department of Urban Affairs and the time now 11:43 p.m., committee rise.

SUPPLY—LABOUR

Madam Chairman (Louise Dacquay): This section of the Committee of Supply will be dealing with the Estimates of the Department of Labour. We will begin with a statement from the Minister responsible, the Honourable Minister of Labour.

Hon. Darren Praznik (Minister of Labour): Thank you very much, Madam Chairperson of the Committee.

I am pleased to present the review, the Spending

Estimates of the Department of Labour for the 1990-91 fiscal year.

At the outset, I would like to take the opportunity to congratulate my predecessor, the Honourable Gerrie Hammond, on the excellent work undertaken by the department under her leadership. Staff of the department have asked me to add their best wishes for a long, happy and active retirement.

The purpose of Manitoba Labour is to serve Manitobans through the enhancement of public safety, the fostering of stable labour relations in our province and by supporting workplace training and adjustment. To meet this mandate, I have tabled a total budget for 1990-91 of \$16,077,200.00. This represents an increase of 6.9 percent over the 1989-90 budget of \$15,035,700.00.

Members will note the Supplementary Information for Legislative Review reflects a new organizational structure for the department. The addition of Workplace Safety and Health, the Labour Adjustment Unit and the Worker Advisor Office provided an excellent opportunity to review the organizational structure of the department as a whole. This organizational review was completed in sufficient time to present the new structure within this year's Estimates.

Three divisions have been created. The first: Labour Services, which includes Mechanical and Engineering, Apprenticeship and Training, Office of the Fire Commissioner, Conciliation and Mediation, Pension Commission, Engineering and Technical Services and the Pay Equity Bureau.

Second division: Workplace Safety and Support Services, includes Workplace Safety and Health Division, Occupational Health Unit, Field Inspection and Education, Mines Inspection, Employment Standards Branch, Worker Advisor Office and the Labour Adjustment Unit.

The third division of our department is the Management Services, which includes Human Resources, Internal Audit, Financial Services, Information Systems, Public Education, Planning and Research, and Legislation and Policy Co-ordination.

Manitoba Labour is a service department. Staff work extremely hard in their efforts to provide excellent service to the Manitoba public, and I take this opportunity to thank all staff of Manitoba Labour for their dedication and hard work. It is a pleasure to

be their Minister, and I say that most sincerely after just two months in this particular office.

I would like to take this opportunity to review briefly the work and achievements of my ministry in this fiscal year. Within the Workplace Safety and Support Service Division, there have been a number of initiatives. The position of Chief Occupational Medical Officer was filled in April of 1990. In conjunction with this new position, Workplace Safety and Support Services Division was reorganized to include an Occupational Health Unit directed by the Chief Occupational Medical Officer. The unit is staffed by a full-time epidemiologist and a secretary in addition to a Chief Occupational Medical Officer.

This will greatly improve the division's consultative and investigative functions, thereby strengthening strategies for accident prevention in the workplace.

A particularly important and new function for the Chief Occupational Medical Officer is the continual updating of the designated materials list: carcinogens, teratogens, mutagens. Exposure to these designated substances should be kept as close to zero as is reasonably practicable. A committee of technical experts has been struck by the Chief Occupational Medical Officer to advise on the inclusion or exclusion of a given compound after a thorough review of the latest scientific data.

In our commitment to serve all Manitobans equally, we have opened a new regional office in Beausejour, a decision made I should add before my appointment as Minister of Labour. By year's end we will have similar offices located in Ste. Anne and Stonewall, each staffed by a Regional Safety and Health Officer responsible for industrial construction and logging activities in those regions.

As part of our increased commitment to health protection in the workplace, the Industrial Hygiene Unit has been identifying specific, high health risk industries for implementation of the workplace, health, hazard regulation. This follows passage of the Workplace Hazardous Materials Information System, WHMIS, providing for labels, material safety datasheets, and worker education programs. We are now in the pilot stage of a new computerized approach to tracking the activities of the division with respect to workplaces in Manitoba.

The Labour Operations Information System, as it is called, will be targeting information for the spring

of 1991. The division's library, unique in Manitoba, is reopened to the public with a librarian. It offers the public as well as our staff more than 100 periodicals, as well as books and reference materials not found in any other library in the province. The division has improved its publication schedule, including 15 new worksafe bulletins, four new detailed informational booklets and a quarterly newsletter distributed to over 40,000 work places in the province.

Conferences organized by the division include a national meeting of Agricultural Safety and Health officials from seven provinces which began today in Winnipeg, Madam Chairperson, and which myself and the Minister of Agriculture (Mr. Findlay) have had an opportunity to visit and address today, as well as a Construction Safety Conference scheduled for February of 1991 intended for construction workers and supervisors and jointly sponsored by the construction associations and building trades.

A committee for review of the operation of mines regulation has been established through our Mines Inspection branch and has had three meetings this year. The committee addresses changes in technology, areas where problems have arisen and ways to avert future occurrences of such events as the conveyor belt fire at Ruttan Mine.

The Worker Advisor Office continues to provide information, advice and assistance to Manitobans regarding workers' compensation issues. The office handled approximately 750 cases last year. Significant improvements to the effectiveness of the Worker Advisor Office have been achieved as a result of the development of a positive relationship with the Workers Compensation Board.

The Labour Adjustment Unit was established in the Department of Employment Services and Economic Security with a staff of three in the fall of 1986 to assist laid-off workers with their job search and companies facing significant retraining needs.

The unit was transferred to the Department of Labour in 1989 with the same responsibilities and now has a staff of six. The economic downturn experienced in Canada over the past year has had staff from the labour adjustment unit working hard to prevent closures wherever possible, consulting with companies and unions where no committee exists and assisting worker adjustment committees in their efforts to help laid-off workers become re-employed.

These committees are able to successfully report that they have placed or assisted in placing some 75 percent of workers registered with the committees. The Employment Standards Branch is in the process of implementing a new organizational structure as part of a strategy to reduce the backlog of complaints and improve the quality and efficiency of complaint investigations. Over the next year, the branch will also be redeveloping its educational program to better inform the public about the work of the branch, and the rights and responsibilities set out in our labour standards legislation.

In the Labour Services Division, the Mechanical and Engineering Branch once again accomplished the majority of its mandated inspections. All boilers, pressure vessels and refrigeration plants were inspected as required by The Steam and Pressure Plants Act. All inspections of unapproved equipment were completed within 48 to 72 hours of receipt of the application for electrical, gas and oil equipment under their respective Acts. Amusement rides and elevators have been inspected as required by our legislation.

Pressure welders were tested at our facility on Paramount Road within two or three days of their registering. Once again, if a job was at stake, they were given priority service. Our welding inspector, helped by some of the out-of-town boiler inspectors, also conducted welding tests in Brandon and throughout the North.

* (2010)

Our Fire Commissioner's Office has accomplished a great deal in its vigilant efforts to prevent, suppress and investigate fires. Firstly, mutual aid district assistance included financial training incentives to mutual aid districts for delivery of authorized emergency fire response training programs to a maximum of \$10,000 per each district each year. In 1990-91, \$90,000 in total has been allocated and is now in the process of being distributed to the nine mutual aid districts.

Additional instructorial video tapes to support firefighter training and mutual aid in districts have been purchased. Breathing air compressors have been strategically located to give emergency response teams the ability to recharge their breathing apparatus. The districts included in the 1990-91 budget are South Interlake at Selkirk and the Grand Valley District at Brandon. Emergency communication, which utilizes programmable radio

sets and portable fax machines to each mutual aid district, has been provided to a number of districts. A variety of public education materials aimed at fire prevention have also been produced and distributed.

Engineering and Technical Services Branch has offered a two-week building inspector training program on Part 9, small buildings of the building code. This was delivered in Brandon during March 1990 as a pilot project. It is a very busy department. Feedback from the building inspectors in attendance was very positive. Several attendees indicated a more basic course was needed. The department, in co-operation with the Manitoba Building Officials Association and Rural Development, is currently delivering a course in Brandon and Steinbach on house construction.

Amendments to the Manitoba Building Code to require the use of lead-free solder and potable water supply systems have been prepared and were approved by Cabinet. They had been incorporated into the code.

A committee was set up composed of doctors, consulting engineers, medical gas equipment manufacturers, testing companies, Canadian Standards Association, and Government representatives to develop installation standards for oxygen concentrators in Manitoba hospitals. Manitoba Health Services Commission has advised us that, in addition to enhancing health care capabilities of our hospitals throughout the province, Manitoba hospitals are now saving hundreds of thousands of dollars per year on liquid oxygen costs.

Our branch is now working on the production of a national standard, through participation on the Canadian Standards Association committee, for this product. We would hope that our efforts in Manitoba will also see the large scale manufacturer of this equipment in our province. I would like to compliment the Minister of Health (Mr. Orchard) for his work in his department on this very innovative piece of equipment for our health care system.

A certificate program has been set up for Manitoba manufacturers of pressure vessels and related products. Seven manufacturers have been certified, following set-up and review of their quality control manuals and inspection of their shop facilities. The seven shops are Westeel, Acme Welding and Supply, Malnar Industries, Parr Metal Products, Euroway Industrial, Kansteel

Manufacturing and Tommy's Welding Company. These shops are now entitled to ship their products throughout Canada as a result of this certification. Malnar Industries, in particular, is shipping a unique chiller type of heat exchanger to other provinces as a result of this specific program.

Conciliation and Mediation Services has again provided excellent service in the labour relations community. The hard work and conscientious efforts of our conciliation and mediation and support staff has contributed to Manitoba once again having the lowest person days lost to strikes and lockouts in Canada with the exception of Prince Edward Island.

On the collective bargaining side, the grievance mediation staff were successful in resolving 82 percent of the grievance mediation cases in which the branch was involved. This resulted not only in improving the relationship between labour and management in the preventative mediation context, but has also led to a substantial saving in arbitration costs to both employee and employer groups.

Within the last year, Madam Chairperson, the pension commission has reviewed a number of possible changes to The Pension Benefits Act with a view to publishing a public discussion paper offering options for administrative improvements. In addition, the first leg of a public-private sector staff interchange has been initiated. One pension analyst will work with a benefit consulting firm on a half-time basis as part of the commission's continuing efforts at improving client service through education and experience for staff.

During this past year, extension of pay equity to school divisions has been under active consideration by the Government. We have been working closely with the Department of Education and Training in developing a policy framework that school divisions can use for pay equity implementation. This policy framework will soon be available for school divisions. The framework reflects the input of school divisions during the pay equity consultations. The summary report of the submission to those consultations was publicly distributed this past May.

Concerning the City of Winnipeg, a working group composed of the Pay Equity Bureau and the city have been meeting to discuss pay equity implementation in the City of Winnipeg. We have also provided necessary support to organizations

covered by The Pay Equity Act and those implementing on a voluntary basis. Presently 5,000 workers in the Civil Service, 3,000 workers in Crown corporations and 1,700 workers in universities are receiving adjustments. The Pay Equity Bureau has also provided technical assistance on pay equity to three school divisions. In keeping with the mandate to promote pay equity, we have distributed approximately 500 information kits and we are currently publishing the latest newsletter, which has a circulation of 10,000 readers. We have also published a booklet, *Negotiating Pay Equity*, which forms the fourth of its technical series.

In Apprenticeship and Training, a new affirmative action poster was developed in co-operation with the Government of Canada, and I have copies of this poster for Members of the committee who may wish to display it in their constituency offices.

In 1989-90, apprenticeship training for Native people in the Island Lake area was provided at the new Native Sakatay College. Further courses are planned for January to April of 1991. Remedial and trade-related upgrading program development has been undertaken in conjunction with Keewatin Community College. Thompson campus is carefully reviewing removal of barriers to rural and Native people who may have less opportunity for academic upgrading in their home communities.

A new curriculum model was developed for industry-driven programs. Educator and industry subcommittees provide comprehensive, current and relevant content. Industry and educator responses have been favourable. An apprenticeship carpentry course for women has been initiated and organized by the branch. Phase one was delivered via Red River Community College market-driven training. It was sponsored by the construction association and union. Phase two is on the job experience and indentureship. Over half of the participants are identified and gain time credits for attendance at level one in school training.

Finally, I am particularly proud of my department's efforts with regard to offering excellent service throughout the province. Our plan to decentralize staff has met with substantial success. As part of the Government's decentralizing initiatives, Manitoba Labour, on the basis of regional rationalization of services and effectiveness of program delivery, has 38 positions for relocation to rural communities.

Our current status: Brandon will receive 20

positions in January of 1992; Beausejour has six positions as of September of this year; Ste. Anne, four positions slated for September of 1991; Portage la Prairie, three positions for September of 1991; Flin Flon, one position for September of 1991; Stonewall, one position for September of 1991; Ste. Rose du Lac, one position September 1991; The Pas, one position September 1991; Gimli, one position September 1991.

On a program basis, the following branches will be affected by the following number of positions: Fire Commissioner's Office, 16; Engineering and Technical Services, nine; Employment Standards, two; Apprenticeship and Training, five; Workplace Safety and Health, four; Mechanical and Engineering, two.

The department has achieved a very positive response in terms of the employees expressing willingness to move. Twenty employees agreed to decentralize to rural locations, nine declined the moves, three opted for early retirement, one has been held on compassionate grounds, and five positions were vacant and have been held in terms pending decentralization. Four of the employees declining moves have already been redeployed to other positions in the department. A fifth has been placed with Culture, Heritage and Recreation on an interim basis.

In conclusion, I would note that my remarks do not represent all of the achievements of the Department of Labour. They do represent some of the significant initiatives and results which have been achieved. I thank Members, particularly my colleagues on the Government side, for their attention and look forward to their comments and questions of all Members. Thank you, Madam Chairperson.

Madam Chairman: We will now have the reply from the critic for the official Opposition, the Honourable Member for Thompson.

* (2020)

Mr. Steve Ashton (Thompson): Madam Chairperson, I certainly appreciate the -(interjection)- Well, for the Minister of Health (Mr. Orchard) who is making comments from his seat, I know seeing the Member for The Maples (Mr. Cheema) and myself here as critics, he must be having flashbacks to the nearly 50 hours of Health Estimates we went through last year. We are probably a record in this Legislature. I just want to assure the Minister of Labour (Mr. Praznik) that we

will not go as long as we did in Health last year. We will not go quite the 50 hours, although perhaps at times it may seem like 50 hours. I wanted to welcome the -(interjection)-

Now I have the Minister of Agriculture (Mr. Findlay)—I am trying to get in my opening remarks here. If he wants to heckle, we may be here 50 hours at this rate. I wanted to welcome the new Minister. In the brief period of time that I have been the Labour Critic, the last two and a half years, I have had the opportunity of welcoming three Labour Ministers. We seem to have a significant amount of turnover in this department.

I notice one of the previous Ministers of Labour is sitting here tonight. I believe he was the Minister of Labour for just around a one-year period and the previous Minister of Labour, Gerrie Hammond, took over. In fact, her first and last Estimates were last year. Of course, I have the opportunity to now welcome a third Minister. I do not know if there is something about this portfolio that leads to such a high turnover. It may indeed be a very difficult portfolio for many Conservatives to deal with because of the fact of their ideological position on so many issues affecting working people, Madam Chairperson. I suspect that is one of the reasons, but I do with all graciousness wish to welcome the Minister.

Suffice it to say that the Minister has already shown he has a somewhat different style, certainly than the first Conservative Minister of Labour, quite a different style than the first Minister of Labour, and in some ways, different from the previous Minister of Labour, but I want to indicate to the Minister that style is one thing and substance is another. I want to indicate that we are hoping that there will be some significant changes in attitude in regard to issues affecting this department, this amalgamated department, because it actually has an expanded focus now in terms of not only labour, but also Workplace Safety and Health.

I really say that in all seriousness, because we have many concerns about policy issues that we indeed will be raising throughout the Estimates process. We are already saying that. I say this with an element of sadness, that the Minister—unfortunately one of his first major actions in this legislature has been to bring in the Bill repealing final offer selection. I say that, Madam Chairperson, because I would have hoped that the Minister would have taken some time to really

review his new portfolio and look at some of the experience in regard to some of the key issues.

Certainly, there can be no more an important issue at the current time than final offer selection. The Minister himself referred to the fact that we have one of the best records of labour relations in the country. That is indeed the case. In fact, we pointed that out last year in arguing why they should not repeal FOS, and as the Member for Burrows (Mr. Martindale) indicates, why do we have that? It is because of the legislative package that was in place.

When one looks at the move of this Minister, moving to repeal final offer selection, I find that is very unfortunate, because I believe even his own department could have told him that it has contributed toward that climate of labour peace. Regardless of what role final offer selection has had, certainly the statistics speak for themselves, the second-best record of labour relations in the province. Final offer selection has clearly not been having the type of impact that some said it would, the negative impact. Quite the opposite, it has been having a positive impact.

I want to indicate that we will be raising this issue. Obviously, there is the legislative debate. I do not intend to get into the legislative debate, but it is very important we deal in this department with such issues as the type of information the Minister brought forward about how effective we are in terms of labour relations in this province.

One item in this department that we will be focusing on, I will certainly be focusing on, is in terms of the growing impact of plant closures in this province. There is a section of this newly amalgamated department that deals with labour adjustment. We believe that there has to be a strengthened legislative component. I note, for example, that the new NDP Government in Ontario was looking already at strengthening its plant closure legislation, legislation which in some respects is already stronger than Manitoba's and others'. It is somewhat inferior.

I want to note for the Minister's own edification that the current legislation, which they are building upon in Ontario, was brought in by a Conservative minority Government under pressure from the NDP at the time. In fact, I had hoped that the previous Conservative minority Government here would have followed the lead of Ontario and listened to us when we introduced on two occasions, and I have

introduced again in this Session, a Bill that would strengthen plant closure legislation.

I want to get into, as we go into Labour Estimates, the importance of having that sort of framework. I want to once again, and this is my third Minister as critic, but I hope that perhaps this Minister will take some opportunity to review the plant closure legislation and provide additional protection for workers affected by a major layoff or plant closure. People find themselves in a very difficult circumstance. I find that my discussions with people, certainly here in the City of Winnipeg and other communities here in Manitoba, I am finding increasing numbers of people who are faced not only necessarily personally but at least in their own community or family and friends with people who have been laid off.

It was a very moving experience just last year talking to a number of people who had been affected personally, people with up to 33 years of service. In fact, they even indicated to me they were less affected than some of the people who had been there for 10, 12, 14 and 15 years. Employees with young families to support who found all of a sudden that they were out on the streets and found quite to their surprise that there is very little protection. That is really what we are talking about once again in terms of labour adjustment.

The labour adjustment section of the department can only work as effectively as the legislative backdrop it has. The legislation provides the tools, if you like, for that section to work with. Unless we strengthen plant closure legislation and really put an emphasis to deal with plant closures, we run into difficulty.

There are going to be some other issues that we will be dealing with. Pay equity is an obvious issue. One section of the Department of Labour deals specifically with pay equity. We will be raising that as I will in terms of the Civil Service Estimates, obviously as it affects Civil Service later on. Once again, we see some ideological hangups I would say from the current Government. We will get into more ideological hangups in a minute including the minimum wage, but, yes, they did speak in favour of pay equity in the Legislature. They criticized it when they were in Opposition.

They have not moved into a number of sectors, including all the health-care sector. They have not moved, in particular, into outside funded agencies

and in the private sector. We will be raising this as an issue, because I think it is an issue that any Minister of Labour, and particularly this Minister of Labour, should be taking a lead role on. I was quite frankly disappointed with the previous Minister, who I respected, who was both Minister of Labour and the Minister responsible for the Status of Women, did not take any significant initiatives in this regard. I look to this Minister to once again signal there will be some significant movements ahead.

Ideological hangups, once again, in fact the Member for the Maples (Mr. Cheema) was referring to the minimum wage. We—and when I say we, certainly in the NDP and I think Opposition collectively—have raised this issue. We believe there has to be an increase in the minimum wage. We believe it has to be a substantial increase. There has not been an increase in the minimum wage since September of 1987. I believe the Minister of Labour should take a lead role.

In fact I want to indicate that I was very disappointed that last year in Estimates I raised a specific question to the then Minister of Labour. She indicated at that time that there would be a report forthcoming from the Minimum Wage Committee that provides advice to the Government, and that she would be requesting that or directing that there be such a report. The deadline she set, I believe, was the end of March at that time. That deadline soon disappeared.

I asked questions repeatedly in the Legislature, and even now in November of the same year, November of 1990, fully two years and several months after the last increase in the minimum wage, we find once again in response to questions from Members of the Opposition the last number of days that once again the Minister is now awaiting this report.

* (2030)

I do believe that perhaps this Minister will force the issue. I am not convinced that he will recommend to his caucus colleagues, his Cabinet colleagues, the kind of increase that is necessary. We have indicated in the New Democratic Party that we believe a \$5.40 an hour minimum wage is fully supportable as a first step to providing some continuing protection to individuals on the minimum wage reflects the cost of living. Five Dollars and forty cents by the way, Madam Chairperson, is nothing more than the indexed amount of the \$4.70 an hour

minimum wage that was brought in last in September of 1987 by the previous NDP Government. It would do nothing more than index it to current levels in terms of the cost of living. The minimum wage will most definitely be an issue that we will be raising.

Another issue—employment standards. I was quite frankly very surprised, very disappointed today, when the Government did not bring in legislation to deal with the impact of the newly proclaimed changes. I will not use the word reform, because I consider them to be regressive cutbacks to unemployment insurance, but those changes came into effect today.

They do require urgent action on behalf of the department, because one of the only positive provisions in my view in the newly proclaimed Act is in regard to maternity and parental leave. It provides for up to 25 weeks in combination of the two particular kinds of leave set out in that particular Act, but in Manitoba our Employment Standards Act, as the Minister should be aware, allows for leave, I believe, up to a 17-week period. You run the risk, unless there is a change and a change fairly soon, that individuals may have the right to 25 weeks, but if they take those 25 weeks, they may find their employment at jeopardy. The only protection they have essentially under Manitoba law is through The Employment Standards Act, that guarantees them that up to the 17-week period, they will be rehired.

I want to indicate, that not only are we raising this as a question, I want to indicate publicly now that we are willing to co-operate with the Minister in bringing through a speedy passage of any amendment that would accomplish that. In fact, we are obviously prepared to introduce such an amendment ourselves if the Minister will not. I would suggest that given the ability of the Government to order the business of the day, and the ability to bring matters to far greater priority in terms of their being Government Bills and private Member's Bills, Opposition Bills if you like, I would suggest he may wish to move in that.

By the way, we will be raising questions in this series of Estimates, not only about that specific legislative provision, but also about the significant impact that it is going to have on Manitobans. Our Estimates are that \$30 million plus annually is going to be sucked out of the Manitoba economy, sucked out of the hands of unemployed workers, by this

latest so-called reform of the federal Conservative Government.

Quite frankly, we are very disappointed in the record of this Government in regard to dealing with the concerns of the unemployed. They have, for example, phased out funding in particular to the unemployed help centres. They have not provided the support that is required to those unemployed help centres and, quite frankly, Madam Chairperson, we will be raising that issue again, because it is absolutely vital that we have people out there advocating on behalf of unemployed workers at a time when they are being squeezed by a federal Government that wants to make them wait longer to get UIC, have them eligible for a smaller period of time, that is going to, by definition, end up with more unemployed workers, not on unemployment insurance, but on welfare, relying on food banks, joining the ranks of the ever growing numbers of poor people in this province, that seems to be growing on almost a daily basis.

It is not sufficient for the Government to sit back and say that they have no power or responsibility or, as the Premier (Mr. Filmon) attempted to do in Question Period today, read quotes from Toronto newspapers. I mean if the Premier is concerned about the poor, let him address the concerns here in Manitoba. Let us see some action on behalf of this Government.

As I have said, one step this Minister can take is in terms of implementing funding for the unemployed help centres to ensure that unemployed workers are adequately represented by advocacy organizations.

Speaking of which, once again, we will be raising our concern about the need to provide ongoing funding, to restore ongoing funding to the Labour Education Centre.

I think one of the most unfortunate legacies of the first Minister of Labour of the current Conservative Government, when it was in minority, was the cutback of the Labour Education Centre funding. While there has been some indirect funding go to the Labour Education Centre, I consider it to be a clear example of the kind of ideological bias of this Conservative Government.

One of the first things that it did, one of the first groups it targetted, in terms of cutbacks, was the Labour Education Centre.

I would hope that the Minister of the Environment

(Mr. Cummings), and other Members of the Conservative Caucus who are here, and particularly some of the new Members who were not part of this decision, would care to do some research into the whole question of the funding for the Labour Education Centre. It provided very important training programs and educational programs, yes, for workers, but also to community groups and indeed even to many employers.

Madam Chairperson, I would hope this set of Estimates would provide an opportunity for some changes in policy once again. I even have some hope yet for the Minister of Labour (Mr. Praznik). I would say that if he wanted to establish some real credibility, in terms of the labour movement, in terms of working people, to establish the fact that he has clearly departed from the previous course of action set by particularly the Member for Portage (Mr. Connery) when he was Minister of Labour, the first place he can start is by reinstating the funding of the Labour Education Centre. That we will deal with in some significant detail as we continue in terms of this set of Estimates.

I want to indicate we will also be raising questions, in terms of apprenticeships in Manitoba. We want to make sure that our apprenticeship system is protected. It is not privatized.

I quite frankly am very concerned about what is happening, in terms of education and training in this country and also in this province as well. We want to ensure there is an adequate level of protection, and an adequate level of apprenticeship training made available to Manitoba workers.

Those programs do reflect the need, as the Minister did mention, in terms of emphasizing affirmative action and other important goals in society.

I cannot stress enough the importance of the Apprenticeship section of the department, something we will be raising throughout the Estimates period.

I want to indicate as well, in terms of Workplace Safety, Health and Worker Advisors, we will be raising a number of questions in those particular areas.

We still have some concerns, once again, following the record of previous Ministers in regard to Workplace Safety and Health, the unilateral changes that were made by the previous Minister in terms of Workplace Safety and Health regulations.

I want to indicate that I hope the Minister will once again mark a clear point of departure from previous Ministers who once again acted more on the basis of ideology, I believe, and not on the basis of common sense in terms of issues, including such an important issue as Workplace Safety and Health.

We will be looking also for this Minister to be looking to the future, in terms of changes. I mentioned before employment standards in the immediate sense of UIC, but I see the need, our caucus sees the need, to move ahead to improve our employment standards legislation, generally in regard to parental leave, sickness leave, recognizing an increasing number of two-income families who have to have provisions in The Employment Standards Act to recognize their parental responsibilities, and also single-income families, single parents, who find it increasingly difficult to balance the responsibilities of the workplace and family responsibilities, parental responsibilities. We will be raising those issues as well.

The bottom line in addition as well, Madam Chairperson, is that we will be looking at specific line items. I indicated a concern in the previous year's Estimates about the decline that has taken place in terms of staffing in a number of areas. We will want to make absolutely certain that there is no continued drop of service. In fact, there is a marginal increase in terms of overall employment in the department this year over a number of SYs, the combined department, in comparison to the decrease that took place in the first two succeeding years. On the general sense of things, we certainly welcome that.

I raise that as a major concern, the fact that one of the departments, once again, that was singled out by this Government for budgetary constraint, first and foremost above all other departments, was the Department of Labour. In fact, we will be very, very careful in our scrutiny of the current staffing patterns because this involves a number of important areas. It involves the concerns of people, generally in terms of assuring there is a proper labour relations climate, a harmonious labour relations climate. It ensures protection in the workplace environment in terms of employment standards and also in terms of workplace safety and health. It provides for the apprenticeship training I referred to. It provides some significant services in terms of fire prevention. It is an important department, one that is often

glossed over by people reviewing Government expenditures.

* (2040)

While it may not have as significant a budget as other departments, it is a very significant department in the impact it has, particularly in terms of the working people of this province. We hope that this Minister, quite frankly, will live up to the true description of being a Minister of Labour, not being a Minister responsible for big business, not only representing the big business concerns, not only representing the ideology of the Conservative Party, often as it is driven. I think they would recognize this as much as we do by their close affiliation with the big business community.

I believe, Madam Chairperson, that we look to and we expect better. I want to say this as well, because, ironically, even the Sterling Lyon Government—and the Minister of Highways and Transportation will remember this—did not rollback back labour legislation in this province. Sterling Lyon. I remember it well because I remember that our Member of the Legislature at the time was the Minister of Labour, Mr. Ken MacMaster. What I will say about his tenure as the Minister of Labour for, I believe it was a two-year period, there were no rollbacks in labour legislation. Unfortunately, already this Conservative Government, first as minority, now as a majority, has embarked on a course of rollbacks in labour legislation.

I want to say to the Minister that 99 times out of 100 we will not call on people to live up to the legacy of the Sterling Lyon Government, believe you me. This is one case in which the Minister may wish to go back to the Journals from 1977 to 1981 when there was a majority Government with an even stronger majority than this slender majority. Believe you me, I speak from experience, when I talk about 30-person Governments, 30 MLAs on the Government side, being a slender majority. The Sterling Lyon Government with its 34 Members, of which the Minister of Highways was part, did not embark on a course of rolling back labour legislation, despite all the right-wing policies that we in the New Democratic Party were critical of in other areas. In terms of labour they said no to major rollbacks. I throw that out to this Minister.

He comes in as a new Minister, as a young Minister, one of the youngest Members in this Chamber. I can identify with his position, having

been elected the age of 25 myself when I was first elected, and knowing the kind of idealism, which in many ways I still have. I hope he comes in with a bit of a sense of idealism, and I hope that he will look at the past, look at the experience of the last couple of years and embark on a course of fairness, of balance, that will respect the rights and interest of Manitobans generally and in particular the working people of this province.

I can indicate that through our tough criticism of his department, it is our intention to do nothing more really than assist him in that role. At times, he may not recognize that. I know the Member for Portage never recognized our criticism as assisting in his role as a Minister and quite frankly when I look at what transpired in terms of when he was Minister of Labour, I can see that we would not want to be taking credit for some of the things that happened because they certainly were not our ideas of being in the positive interests of working people.

I do say the bottom line to this Minister is, please turn your back on some of the starts that have been taken by previous Ministers in terms of the balance and please look out for the interests of the working people of this province. We will be doing that through our questions and I at this point would be glad to turn over the floor to the Liberal Labour Critic.

Madam Chairman: We will now hear from the critic for the Second Opposition Party, the Honourable Member for The Maples.

Mr. Gulzar Cheema (The Maples): Madam Chairperson, first of all, let me welcome the new Minister of Labour whom I have known for the last couple of years. He has already shown a very different personality than the previous Minister. I think he is very -(interjection)- no, no. I am still—I am not criticizing you. I think the present Minister of Labour definitely has gone in terms of his personal relationships with the Members of this House, and I think that will be positive towards achieving the common goal which is to help the people of Manitoba. I think that is very positive.

Certainly I welcome my colleague from Thompson who I have participated for 50 hours in the Estimates of Health. Today he is the expert in this area so I will be standing by his side and watching both of these two Members and try to learn some of the important issues that are facing the people of Manitoba today.

I think the Minister of Labour has outlined some

of the achievements and some of the plans but I am a little disappointed that the Minister of Labour has not really tackled the major issues which are facing the people of Manitoba. It is the labour issues in terms of job security, the effects of free trade, the GST, the plant closures, the added insults by the unemployment cuts. I think this is a major area of concern and has to be addressed.

If you just go around the city, the Minister of Labour will see that many people do not have jobs. In my area, there are a number of people who are working with Varta Batteries, Westcott Fashions and some other factories. They were laid off and it is very difficult for them to pull on and have even the basic necessities of life because for them, the fancy speeches and fancy stories are not good enough. For them, the most important issue is to bring their livelihood with their families and I think they have a need to see it.

With the changing in technology and so many changes coming across this land, with the recession coming and all, I think there has to be a plan for the future, to see what will happen in two or three years time, how the workers are going to be adjusted, how they are going to retrain them. That part was missing. I think it is sad. That is a very important issue in my view.

I think there are other issues that the Minister of Labour has not addressed, in spite of his answering in the House a few times that the minimum wage is going to be reviewed. I think he has to see that all of us need the basic necessities and with \$4.70, it is not possible to have the common, basic necessities of life. If you are going to leave the minimum wage untouched for three years, I think it is an insult to the workers of Manitoba. I think there has to be a proper review done every year. Even as MLAs we get raises with inflation. We got a raise last year. I think it is important that we send the right message to the people of Manitoba, because we are here to represent those people.

The other issue the Minister has not addressed is in terms of, as I said earlier, the long-term planning for the training of people who are laid off at the age of 40 or 50 and do not have any other place to go. Just giving them nine months of unemployment insurance is not going to solve the major issue. Still, they are going to require jobs and how their skills are going to be upgraded. Also, what is going to be the impact of the changing technology on the work

force in the future. That issue has not been addressed.

The Minister has touched very briefly on the occupational health issue, but he has not even addressed the issue of the funding cuts in the Canadian Centre for Occupational Safety. He has not addressed the issue of how occupational health and safety is going to be upgraded. Maybe during the questioning we will know more about that. I think that has to be addressed.

Above all, the most important issue again has to be the protection of the workers, protection of their families and making sure that the jobs are protected for the long run. Once we go through, page by page, I will have more questions to ask. I will certainly end my remarks, hoping that we can achieve some positive ideas through this a few hours at a time and contribute to the people of Manitoba who have sent us to this Assembly. Thank you.

Madam Chairman: I would remind Members of the committee that debate on the salary for the Minister, item 1.(a), is deferred until all other items in the Estimates of this department are passed.

At this time, I would like to invite the Minister's staff to take their places in the Chamber, please.

* (2050)

Mr. Praznik: Madam Chairperson, I am most pleased tonight to introduce to you my senior staff who will be attending at the table in the Chamber. If Members have not noticed already, we have a majority of our senior staff from the Department of Labour available in the gallery for specific questions in specific areas. I am certainly glad. We will be very happy to make them available through the questioning process to my colleagues or Members of the committee.

I am pleased to present, Madam Chairperson, the Deputy Minister of Labour, Roberta Ellis-Grunfeld; the Assistant Deputy Minister, Mr. Tom Bleasdale; the Executive Director of Management Services, Mr. Jim Nykoluk; and our Director of Finance, Mr. Jim Wood. We are ready to begin.

Madam Chairman: Administration and Finance: \$1,753,500; 1.(b) Executive Support: 1.(b)(1) Salaries \$359,700—pass; 1.(b)(2) Other Expenditures \$85,200—pass.

Item 1.(c) Management Services: 1.(c)(1) Salaries \$1,137,700.00 Shall the item pass?

Mr. Ashton: I have a number of questions in terms

of the research and planning in the department, and I was wondering what line item the Minister preferred to answer under this, in terms of Research and Planning in the department. I have some questions in terms of research and planning. If the Minister is prepared to deal with the questions at this point in the Estimates—and I would suggest, Madam Chairperson, that we attempt to deal with general questions at whatever is the appropriate time. In terms of detail, obviously staff have to be here for some of the more detailed questions. I intend, if it is agreeable with the committee, to take a more general approach under some line items.

In terms of Research and Planning, since I have been Labour Critic, I have been asking Ministers of Labour, I must admit unsuccessfully, for information as to what really they have done to analyze the impact on some of the major developments in Manitoba in the last period of time. I began with regard to free trade. This, by the way, was the Government that supported free trade fully in terms of its impact.

We have seen with the Minister of Industry, Trade and Tourism that the Minister who should have known, and I hope by now would know, the impact of free trade the most directly, was out by, I believe, a billion dollars. The bottom line, Madam Chairperson, is that there has been a complete and absolute lack of information from the Government in terms of free trade.

I would like to ask the Minister what initiatives he has taken in comparison to previous Ministers who have not really provided much leadership and direction in terms of the impact of free trade on Manitoba? I am thinking here in particular of the impact of free trade in terms of employment and particularly in terms of workers in this province.

Mr. Praznik: In answer to the question from the Member for Thompson. Firstly, let me say that, with respect to free trade and provincial Government, the main lead on that particular issue was taken by the Department of Industry, Trade and Technology. The reason why I raise that with you is not that the Department of Labour has been void in examining the issue. We have certainly had an opportunity to look at the three major studies that were conducted on free trade: the de Grandpré report, Mrs. McDougall's report and the Canadian Labour Market and Productivity Centre report.

Our concern, of course, is on a sectorial basis

because, as I am sure the Member for Thompson will agree, free trade affects sectors of the economy differently—some positively, some negatively. Our prime concern, from the Department of Labour's standpoint, was to be able to be aware of the areas where our Labour Adjustment Unit, which is our main vehicle in assisting employees whose positions have come to an end or have been terminated in finding additional or new work in the labour force. From that perspective, the department has reviewed that material to prepare itself for the various industries.

As I am sure that the Member for Thompson will agree, probably the greatest problems facing labour everywhere in North America, indeed around the world, are major changes that are taking place in all economies, whether or not free trade is in place. As a new Minister of Labour, that is a particular area, early in my mandate, that I have asked the department to do some work in. They are in the process of briefing me on a fairly regular basis on material that is available in that area.

I would also point out to the Member for Thompson (Mr. Ashton) that the success of our labour adjustment unit with committees is somewhere approximately 75 percent of employees who have registered with that process and work with that process, who have been re-employed. That does not take into account anyone who did not register and found employment elsewhere, et cetera, or took advantage of programs like POWA, et cetera. We have had a good success rate.

Mr. Ashton: In fact, when I asked this question last year in Estimates, the response from the Minister then was: We are a service department and are here to help the workers when they lose their jobs. That is a given.

What I am asking is: Is the department taking a lead role within Government to look at the kind of impact, in a general sense, that is going to take place from the impacts of free trade and some of the free trade related layoffs?

Is it taking a—and I hate to use this word—proactive role, or is it following the traditional role that it has followed in previous years, which is allowing Industry, Trade and Tourism to be the lead department analyzing the economic impact, something I would consider to be a mistake given the fact that Industry, Trade and Tourism is

essentially looking at the impact of free trade from the business side?

Is the Department of Labour going to be looking at the impact on the labour side? Surely, if you are going to be planning as a department, even if you are going to do nothing more—and I believe the Department of Labour should do more than simply provide services to workers when they lose their jobs—you must have some idea of what is going to happen, particularly given the fact this Government supported free trade.

I would like to ask, are you going to take a lead role in getting that sort of research available, not only for the Department of Labour, but for other departments in Government?

Mr. Praznik: First of all, I would just like to put on the record that the prime responsibility which the federal Government has always accepted, for adjustment issues with respect to the Free Trade Agreement, they have always assumed that prime responsibility. They have never denied that it was not their prime responsibility. One has to appreciate, with respect specifically to free trade, that is a prime responsibility that the federal Government has acknowledged and accepted.

I would just like to say to the Member for Thompson (Mr. Ashton) that adjustment issues related to free trade are but a very small part of the adjustment issues for our labour force that are facing our province, our country, indeed most industrial nations over the next 10 years. They are a very, very small component.

There are a host of things happening in our labour force. We have seen major changes in the meat industry, for example, in the last while that are not free trade related, that have to do with a host of other factors.

As Minister of Labour, I certainly appreciate the concern that the Member for Thompson is indicating, that this department have an interest in those issues—we certainly do. I, as Minister, work very closely with our Research and Planning Branch, and one can appreciate having only been in this job for two months, I have to familiarize myself with a lot of that data and material that is out there. I am in the process of doing that as time allows. When I have had a chance to assess that, we will have further discussions in the department.

I would reinforce to the Honourable Member for Thompson that our first and foremost responsibility,

as a Department of Labour, is when there is a layoff, our labour adjustment unit has to act. That becomes a prime responsibility for us. That is something we pride ourselves in, that we are able to provide that kind of successful help to laid-off workers, some 75 percent so far in our success rate redeployed in other areas.

* (2100)

The comments that the Member for Thompson (Mr. Ashton) makes about the Department of Labour playing a role in the larger issues is certainly there. I know in discussions with Cabinet colleagues, discussions at caucus, discussions with other Ministers, this department has had, and will continue to have, an input in the development of Government policy.

I am sure the Member for Thompson will appreciate that those larger issues are not issues that are dealt with solely with one department, even though the Department of Industry, Trade and Technology takes a lead role on those issues, but they are certainly interdepartmental and demand a Government-wide response.

If the Member for Thompson would look at many of the initiatives that the Government has taken as a whole to keep Manitoba, make Manitoba more competitive, to attract industry in our province, not just from outside, but internal growth of industry so that Manitobans have jobs, that has been a prime goal of this administration and one that has been shared by my other colleagues, such as the Minister of Education and Training (Mr. Derkach) with Workforce 2000, and other departments, Industry, Trade and Tourism.

So I certainly appreciate his concern. I can assure him that the Department of Labour plays its role within that process in Government, and we certainly like to keep on top of all those changes so that we can influence and help shape Government policy to accommodate the changing work force out there, the changing opportunities and challenges that are there into the next century.

Mr. Ashton: Well, I certainly appreciate that the Minister has been newly appointed as Minister for this department, and I certainly do appreciate there are ongoing discussions with other Ministers, other departments. I am not suggesting that this department be the only department, obviously, that would be concerned with labour force adjustments. Indeed the Minister is correct. It is a question of

adjustments related, yes, to free trade and also other issues that are developing. Many plant closures are taking place at this very moment because of the recession.

We are into a recession. That has been very clear in this province and other provinces, and we have had the impact already in terms of plant closures, but I guess what I am asking from the Minister is a commitment. Is the Minister prepared to give the commitment to move from the role that was outlined by previous Ministers, certainly by the Minister in January of this year, that the Labour department is nothing more than a service organization, to move it to a more direct role in terms of doing research into possible future plant closures, whether it be from free trade or from the economy generally, a research that can be used by Government generally to develop contingency programs, not in terms of treating the symptoms, if you like, but the illness itself?

The problem that I see with the Government's reaction in this particular case is that it is after the fact. It waits until somebody is laid off and then finds a job for the person, because once again, the legislative framework does not provide, for example, for the opportunity for workers to buy the plants involved. It does have notice periods, but fairly limited notice periods. I mean, is the Minister willing to give a commitment to this House that he will undertake to have the Department of Labour take a much more active role, not just in terms of academic research, which obviously has not been conducted by this department in any great detail, but in providing research, in-depth research, in terms of not only what has happened, but what is likely to happen, to provide for the second key component of planning? To my mind, to talk about research and planning as separate items is not possible; they go hand in hand.

Will the Minister undertake at least to consider that, so perhaps when we deal with this item in Estimates next year, we will have a more detailed picture of what is happening with the Manitoba economy, a detailed picture, by the way, that is not available from other departments? The Minister of Industry, Trade and Tourism (Mr. Ernst), if one checks with his Estimates, they will find he does not have much of the information either. He was out by a billion dollars in Question Period just recently. We need someone in Government, some department, to take a lead role. We particularly need this

department to take a lead role, because the victims of free trade and the victims of the recession are the laid-off workers, and there are increasing numbers of them.

Mr. Praznik: Madam Chairperson, I certainly can appreciate the comments of the Member for Thompson (Mr. Ashton).

When one is Minister of Labour, the term "department" or "Ministry of Labour" certainly implies a rather grand or rather large area of responsibility. I know the Member for The Maples (Mr. Cheema) has alluded to some of those questions. The comments by my predecessor about this department being a service department are very, very true, and they are very accurate; 99.99 some percent of probably what we do—I am looking at my staff if that is a fair assessment from a new Minister—are services that we provide.

We provide services to employees and employers in this province in terms of information on labour legislation, Employment Standards Act, et cetera. We assist people when that has been breached and they have claims. We provide a whole function of support services in the trades, et cetera. We provide services and inspections in a host of inspection areas that fall under this department, from elevators to pressure vessels and all of those types of things. We provide service to workers through the Worker Advisor office in dealing with their claims through the the Workers Compensation Board. We provide service to laid-off workers in finding new employment in dealing with plant closure situations. So we are very much a service area.

You know, it is the bulk of what we do. A part of what we do, from that perspective of being somewhat a voice of labour issues within Government, is on many of these issues that come forward, I deal with my colleagues in various Cabinet committees and around the Cabinet Table as we develop general Government initiatives and policies.

The kind of work we do in the Department of Labour provides us with a great deal of insight and information that becomes a component of that development of policies and issues, so although the Member for Thompson (Mr. Ashton)—you know, I can appreciate his comments about my predecessor describing this department as a service department; that is a reality. It is primarily a service department. It has primarily been a service

department under a host of regimes in this province and that is the bulk of what we do. That does not mean to say, we do not have an interest in those other issues, we certainly do, Madam Chairperson. We have a tremendous issue.

I just want to comment a little bit further on some of the remarks made by the Member for Thompson, because he has raised free trade and recession. Certainly, one can appreciate that there is in fact a difficult time, that there are issues. With respect to free trade, there are opportunities in free trade as well as certain sectors that have suffered. There is no doubt that always was the case.

Madam Chairperson, even though you know we are into a recessionary period of some sort—we do not know how long or what full effects it is going to have—I think there have been many good things that have happened in Manitoba, not things that I, as Minister, take credit for or necessarily Members of the Government take credit for entirely.

I would provide this to the Member for Thompson, Madam Chairperson, if we can send that over to the Member for Thompson (Mr. Ashton). It was a very insightful little comment by Peter Warren in which they talked about the state of Manitoba. If I may just quote a little bit of it, he is referring to a comment he had made, and he is going to repeat it. He said, and I quote Peter Warren: What I said was that I am getting plain sick and tired of the doom and gloom scenario being spread around town lately by the deadly fearmongers led by the Free Press, who seemingly take great delight in trying to tell us all that people who live in the community are destined for the garbage heap. Today, radio station CJOB would like to stand up loud and say, it just ain't so.

Certainly the Free Press splashed the headlines about layoffs. We are sure we have had layoffs, but the man once said, you can prove anything with statistics, and most of them are spread with various unions and their greedy fingers, and whipped up by power-hungry NDP Leader, Gary Doer. (end of quote)

Peter Warren's comment goes on to talk about a variety of good things that have been happening in Manitoba over the last while. You know, just to further quote some of those things that Mr. Warren refers to, that a whole host of expansions, some of them small, some of the large, would take place in Manitoba over the last while.

We have looked, as a Department of Labour and

part of our research, because certainly our Labour Adjustment Committee wants to be aware of where things are happening on the positive side in the province.

There have been a host of industries that have created jobs in this province or started new ventures that have created jobs. I raise that just to say to the Member for Thompson (Mr. Ashton) that within any economy, at any given point in time, there are tremendous things happening. It is a dynamic process and jobs end, businesses end. They close sometimes because their millstones are a hundred years old, in the case of Ogilvie Oats, others for reasons that sometimes have to do with free trade or a recession. On the other hand, there are positive things that are happening.

Our role in the Department of Labour, with the Labour Adjustment unit, is to assist people who are in those situations to be able to make that transition and to assist them in finding new employment when they are hit by layoffs, et cetera. Our success rate to date has been some 75 percent. That is not because of Darren Praznik; it is because of very good people who work in that particular unit.

* (2110)

Mr. Ashton: Madam Chairman, I just want to indicate the Minister of Labour (Mr. Praznik) has now indicated the source for the in-depth research and planning of his lead department. I do not mean this to be directed at the departmental officials. This is the Minister of Labour who, in response to questions on the impact of free trade on the role of planning and development of his department, comes in and quotes from Peter Warren's comments on CJOB of Thursday, November 15, 1990.

Madam Chairman, I am quite frankly amazed at this Minister. I thought, when he was going to table a document and have it brought over to me, it would be an in-depth analysis of free trade, of the impact of the recession, how many jobs were going to be affected, and the plans of this department and this Government to deal with the impacts of that situation. Instead it is a column, well, not even a column; it is a transcript of Peter Warren's comments on CJOB.

I want to say to the Minister that the bottom line is—and perhaps he should care to check in terms of the role that we are playing as Opposition, the roles that Opposition have played generally. It is not

to criticize the City of Winnipeg or the Province of Manitoba. It is to make sure that policies developed, in terms of the development, whether it be economic or social, in terms of this city and this province, are the best, that we get the best potential. No one, in any way, shape or form, is criticizing or down playing some of the positive features of this city or my own city, the city of Thompson, or other communities.

The real issue for the Minister, in case he has not realized this yet, is in terms of those exact same people that he referred to earlier—the laid-off workers. You can say all you want about us having the Grey Cup in 1991, having clean air and the clearest water in the entire country. Well, that is all going to be dependent, of course, on Shoal Lake and a number of other issues.

You could talk about the house prices in the City of Winnipeg. Well, sure, when the economy is going nowhere, the prices are going to drop. If you consider that something positive, I suppose you can make that argument. I did not ask for anything other than what kind of role this Minister (Mr. Praznik) and this Government is going to take in terms of the impacts of free trade, the layoffs from free trade that have taken place and will continue to take place.

Well, the Members think that this transcript from Peter Warren is a thorough answer. Is this the research of the Conservative Party, Peter Warren? I mean, I respect Mr. Warren, but I do not think anybody has described him as the researcher for this Government yet. Quite frankly, I was surprised at how he bootlegged this and found an opportunity to table this. He has obviously had this in his briefcase since last Thursday and has been dying to get a chance to table it, and I just happened to be the person who was asking a question that gave him the opportunity to do it. I suppose in that sense the Minister could not hold on to this any longer. He had to say to somebody that he had heard this—(inaudible)—.

Will he now table the research that has been done in terms of free trade, in terms of the recession, in terms of not only what impact it has had thus far but what impact it is anticipated to have in the upcoming number of months, particularly in the upcoming fiscal year? Will he table that, or is indeed this the sum total of the research and planning of the Department of Labour, a column from Peter Warren from Thursday, November 15, 1990? Is that the research and planning of this Government?

Mr. Praznik: Madam Chairperson, you know, when I was a very young person, and the CBC ran a show on the national dream, I remember a scene of Sir John A. Macdonald in the House of Commons. He made a comment, and an Opposition Member rose in his place and spoke with the ferocity that the Member for Thompson now speaks. Sir John A. looked, and he said, "I do think I hit a sore spot." I think that is very true for the Member for Thompson, because I did not "table" this document, as the Member for Thompson jumped up and said. I just provided him with a copy. I read part of it into the record, it is true, and I did it for a reason, because when you are dealing with complex issues that are important to people in the Province of Manitoba, that are important to people who are laid off, when you are dealing with issues of jobs and employment, when you are dealing with people's lives, we all have a responsibility to be responsible in our comments and what we say.

I have not been a Member of this House very long, but one of the most discouraging things I think for the people who sit in that public gallery and watch us day after day after day—and maybe this is true of whatever Party sits Opposition—is we hear often a very unbalanced, quick answer, doom and gloom, without balancing a lot of those issues. I say that because this Minister and this Government is very well aware that we have had layoffs in this province. We also know that there are companies that have created jobs. I am not saying we take all credit for that, nor do we take responsibility for all layoffs.

Our concern in the Department of Labour is to see where the trends are in the labour market, where the jobs are going to be, and ensuring that the working people of Manitoba are well positioned in their training, in skills to take advantage of those jobs. That is not something that I do or the Department of Labour does alone, it is something that we work with the Minister of Industry, Trade and Technology (Mr. Ernst), because he is looking to attract and assist and ensure that we can have those industries and employers here who are going to provide good jobs for the people of Manitoba.

I work with the Minister of Education and Training (Mr. Derkach) who has a responsibility in the training component. I work with the Minister of Finance (Mr. Manness) who is responsible for the overall fiscal and taxation policies of the province. I work with the Premier. I work with other Ministers to ensure that we can create those jobs, because one of the

realities of any economy at any given point in time is that there are going to be layoffs. We are in a time where we have had some dramatic layoffs, some large ones, but we have also had, in terms of change, not a great significant turnover—right?—I have some information that I share with the Member for Thompson (Mr. Ashton).

When one looks at the percentage of unemployed who are laid off in the type of crisis that the Member for Thompson indicates we have, all one has to do is go back to 1982, 1983 and 1984, the five years where we were running at 61.9 percent, 64.6 percent and 58.1 percent of our total unemployed being laid off workers compared to 54 percent, 56 percent and 55 percent, approximately, in '88, '89 and '90. -(interjection)-

The Member for Thompson talks about major recession. Yes, there was a recession and one appreciates we have that happening now. -(interjection)- The Member for St. John (Ms. Wasylycia-Leis) says, what are you doing about it? Go back to that particular period of time, and I do not think we saw any great program or brain wave that the Government of the Day had that solved those problems. Madam Chairperson, this is the kind of hypocrisy that I talk about, that the public of Manitoba looks at. They say, come on, we cannot believe this on an ongoing basis.

Madam Chairperson, the Member said, what statistics do we have to indicate—I just give the Member some statistics that were there. Anyone who would look through the public material there would find that in Winnipeg, major projects underway in our province in 1989-90: Winnipeg Free Press printing plant and offices, \$105 million expansion; Inco mine development and processing plant upgrading, Thompson, approximately \$300 million committed—that is going to benefit the Member for Thompson; Western Combine plant, Portage la Prairie, \$15 million; Boeing plant expansion, Winnipeg, \$31 million; Hughes Aircraft, acoustic technology plant, Winnipeg, \$10 million; Dow Corning silicon plant, East Selkirk, \$30 million. Those are positives.

The challenge that I think we all have here in Manitoba is to make sure that (a) Manitobans can fill those jobs as they arise, (b) that those people who are being laid off are being assisted and helped whether it be through additional training, whether it be assisting and finding additional employment so we get them back to work. In cases where we have

older workers—and the Member for Thompson (Mr. Ashton), I am sure, is well aware that is always a component of layoffs—we were able to assist them. I am pleased to say, through the negotiations of my colleagues in Cabinet that we have the POWA Agreement which has assisted numerous laid off workers who were too old in essence to be retrained or find other employment.

* (2120)

So we are trying to accommodate, we are trying to deal with those needs. I say to the Member for Thompson, I think we all have a responsibility in a very difficult marketplace and situation to deal with the issues with, I think, some sense of balance and reality. My only reference to the Peter Warren article was to indicate that getting up in this House and yelling layoff, layoff, layoff all the time is not getting them the kind of good press that perhaps they thought it would.

Mr. Ashton: The Minister talks about the reaction of people in the gallery. Well, I want to ask the Minister to take the time to talk to people who have watched from the gallery. I had that opportunity. I recently had a number of people from my constituency in it.

I will tell you the first comment that they remarked on was not in terms of the terrible things that the Opposition was saying; it was in the fact that the Government was not answering questions in Question Period. If the Minister cared to peruse Hansard, or perhaps listen intently tomorrow, I think he would be very hard pressed to find more than a small number of questions, however directly and non-partisanly, non-politically phrased, that were asked directly.

I asked a question today in terms of the impact of the cuts in unemployment insurance and was treated to the Premier reading clippings from Toronto papers. It seems the Government must have a new clipping service to be bringing Peter Warren or the Toronto Star Sunday news clippings to this House. So the Minister might take the time to look at the concerns of people.

I want to say to the Minister, quite directly, that, yes, there are times when political comments are made by Government and Opposition, back and forth in this House, but I was quite put aback today when I asked the question on unemployment insurance cuts and the poor. I did so with no direct criticism. I did not blame the provincial Government

for putting in place the unemployment insurance cuts, but the Premier responded in a very political way, because my question was based more on the concern for the people that are involved.

I want to say to the Minister—perhaps he has not had this experience, but I have had the experience of being unemployed for a brief period of time. I was more fortunate than some. I went back to complete my studies, but I have had that experience and it is not something I would wish on anyone. -(interjection)- I have been unemployed in my life; I make no bones about that. I have no reason to apologize for that fact because many other people go through that, many of them in a situation quite different from my own where I had the opportunity to go back to complete my studies. In fact, one of the problems I had run into was I ran out of money for my studies and could not continue in terms of my studies, and was unemployed for a period of time. Eventually I was able to save up enough money and go back to university and complete my studies, but, having gone through that, I do not wish it on anyone.

I can tell the Minister that if he thinks reading out the statements he did. By the way, if he wants to talk about expansions, such as the one in Thompson, that will not create jobs in terms of the labour force, the permanent labour force at Inco. Inco has already indicated that it will probably contribute towards maintaining the level of jobs and that is a very positive announcement for our community, but it is not going to create jobs that are going to be able to provide jobs for people laid off from Canada Packers or Builders Furniture, any of the manufacturing plants in the province. My concern is for them, my concern is for them. It is very easy for the Minister to talk in terms of this as being somehow very negative on the part of the Opposition. If I raised the concerns of laid-off workers, it is because I hope to see something done about it.

The Minister mentioned the '82, '83, '84 major recession. In Manitoba we led the way into that recession. It began pretty well a year ahead of the rest of the country; I think it was contributed to by the policies of the previous Conservative Government. The response of the NDP Government at the time was not to do nothing. Whether the Minister agrees with the approach, we did develop the Jobs Fund; we did move in terms of the construction of Limestone. At that particular point in time, we took a number of major initiatives that did stimulate the economy, and I hope the

Minister would recognize that. We saw the recession and we dealt with it in our own way. The Minister might not agree with that as being the approach of this particular Government, but the bottom line is there are people being laid off in this province and there will be people laid off in this province.

My question to the Minister of Labour (Mr. Praznik) is in regard to his role, and his department's role, in terms of those people. I will say to the Minister that it is not good enough to say, well, there is this announcement or that announcement, because I can run through the list of layoffs. I have the list of layoffs. I have talked—I have taken the time to talk to people who have been directly affected by layoffs, and I can tell you it has a devastating impact. Unlike myself, where it was a short-term period of time, in many cases you end up with people who are laid off for a significant period of time. You have people who often do not ever return to the work force in the same way that they did before, because we are finding in the province a decreasing number of well-paid manufacturing jobs and an increasing number of less well-paid service sector jobs.

It is not very easy for someone to go from 25 years in a packing plant or a manufacturing plant and then end up really being faced with having to work at McDonald's or Burger King. That is the kind of job choices that are available. It is not that jobs often are not available, it is that they are not available in the way in which they were for those people involved.

That was the intent of my question. I guess I did diverge from that perhaps when the Minister delivered to me and quoted into the record the Peter Warren comment. That does not do anything for the laid-off workers.

Let us indeed, if the Minister wants, put all politics aside. I am asking the Minister in the interests of people who have been laid off and people who, yes indeed, will be laid off, whether it is due to free trade, whether it is due to the recession, or whatever factors. I mean, if you are out of a job, you are out of a job.

What will the Minister do? Will he undertake more of an active role? That is really where this started in terms of this department. Yes, indeed, it has been a service department up until now, but surely the Minister can come up with something more than quoting a column from Peter Warren or reflecting in

terms of what he sees as some of the more positive announcements.

I am not trying in this Department, in these Estimates, to get into the bigger picture. I am prepared to discuss overall economic developments in this province. My focus is on the workers, the working people who get laid off. What is this Minister going to do other than provide these stories about how great things are.

I can tell the Minister that does not pay the bills. It does not get you another job. I want to know if the Minister's department will take a more active role so we have better research and better planning, and so that we can perhaps not only help workers when they are laid off, but help develop policies to prevent them from being laid off. Surely that is the most positive thing that this Minister or the Opposition could contribute to, is preventing layoffs, not just dealing with layoffs that take place.

Mr. Praznik: Madam Chairperson, first of all, I do fully appreciate the comments of the Member for Thompson. I am sure he comes to them with sincerity. I just want to add—he made reference to his own period of unemployment. I was fortunate as a young person growing up on a market garden in St. Andrews that we always had work. Sometimes we did not make a lot of money, but we always had work to occupy our time in the summer.

I just want to share with him that in my first waged job as a young articling clerk out of law school at 24-25 years of age, I made \$675 a month, not a princely sum by any stretch of the imagination. I got a raise at Christmas to the gigantic number of \$725 a month. I appreciate the difficulty of living on those kinds of resources, and I appreciate fully the desperation that can be there for people who are in layoff situations where they do not see immediate opportunities, or they have been in the work place for a long period of time and all of a sudden find out that their job is not there. I do not think there is a Member of this House who does not feel and see a tremendous pain when that happens.

* (2130)

The Member made reference to the recession in '81 and some of the policies or techniques that the Government of the Day used to try to alleviate some of that suffering and pain. I think they went about it in all sincerity, well intended to alleviate some of those difficulties. The reality of the Jobs Fund and what it created—and I do not mean to start another

round of partisan debate. The comments of the Leader of the Opposition (Mr. Doer) when he was head of the Manitoba Government Employees' Association with respect to that fund only creating jobs for the printers of the signs, you know, may have summed it up.

Our Minister of Finance (Mr. Manness) this year went down to New York and borrowed another \$100 million to refinance that loan, and the taxpayers of today, as we go into a recession, are paying the interest on that loan. It was a short-term measure to alleviate some pain, and whether it was successful or not can only be judged, I imagine, by those who are still paying the bill for it, and that is the taxpayers of Manitoba.

Madam Chairperson, coming back to the issue specifically of what do we do in these kinds of circumstances, particularly since we do have a number of more layoffs than we have had over the past few years, it is not easy. I believe the Member for Thompson (Mr. Ashton) will acknowledge that fully, that it is not an easy circumstance, and all of the legislation in the world is not going to alleviate the pain, suffering and hardship that goes with that.

The question that we face as politicians, particularly as Members of a Government on this side of the House is: What can we do to minimize that hardship, that pain and that suffering to help make the transition to new employment as quickly as possible? How do we deal with those people for whom the opportunities for a speedy transition are minimal, those workers who are older workers with very specific skills that perhaps have become outdated?

I look at the meat industry. If the Member for Thompson (Mr. Ashton) were to study the meat industry in some depth, you would realize very quickly that we have a large number of older workers in that area for whom it would be very difficult to become re-employed, because their skills are limited to what they have done for most of their working life. How do we deal with younger people who are short of skills, who do not have the skills that are required in the workplace?

So to ease that pain, to make it much easier or more hopeful or to help them bridge that difficult gap, we as a Government have embarked on a number of initiatives, Workforce 2000, the training component.

In terms of this Department of Labour, we have

the Worker Adjustment Unit, not a large unit, not a unit that has lots of money to spend, but one that has proven through hard work and diligence to have had approximately a 75 percent success rate in placing laid-off workers in new positions of employment or suitable training roles, et cetera, that would carry them over that very difficult gap in their lives.

I cannot think of a better way to help people out of an industry that is failing either because it is out of date as an industry or because interest rates have made it uneconomical, or whatever other reasons, to help people bridge that gap, than have a unit such as this, a unit which his Party, while in power, created with that intention, to be there to work hands-on with those people, to assist them in identifying other opportunities, whether it be training or jobs, to ease them and to get them into those jobs.

I would take some issue with the Member for Thompson (Mr. Ashton) that the only jobs available are at McDonald's or A&W or some such places. I do not think that is a true reflection of the situation.

He raised some concerns about shifts in the Canadian job allotments from manufacturing to service industry, and I certainly do not deny that is taking place. In fact, I have asked the department to do some examination for me, as Minister, on what components of the service industry are attracting new people and growing, because I am sure the Member for Thompson would recognize that we as consumers purchase more and more services as opposed to goods, that the service sector is growing in areas that do have relatively high-paying jobs.

Just look at the medical services that we now purchase that were not purchased by us 20 or 30 years ago. It is almost \$2 billion spent on health care in the Province of Manitoba. Those services that we have purchased, accounting services, other technical services that are purchased. Some of those services are high-level. That is not to say that people necessarily laid off at a meat plant are going into that.

Our role as a Government, through Department of Education and Training, through Department of Labour with a labour adjustment unit, with the Department of Industry, Trade and Technology, helping to locate and expand industry in this province, are working to bridge that very difficult gap as quickly, as meaningfully, as purposefully as possible. Although we acknowledge there is going

to be hardship and suffering and some pain, and some desperation at times no doubt, we are trying to bridge that in a real and meaningful way and not just maybe throwing some dollars for some quick make-work projects, like the Jobs Fund in essence did, and I think acknowledged by the other side, because that does not in the end really lead to any meaningful employment.

I would make one other comment with respect to the query from the Member for Thompson (Mr. Ashton), and that has to do with the Program for Older Worker Adjustment, because that is a program that was funded substantially by the federal Government, and I would compliment my colleague, I believe the previous Minister of Labour, who negotiated that agreement with the federal Government. We pay approximately 30 percent of the cost, the federal Government 70 percent. That provides, in essence, for where we have a major layoff in a community and workers who are older and unable to re-enter the labour force in a meaningful way, this program provides for the purchase of an annuity for those people.

We have done a number of POWA programs for a number of industries across the province. I have had the pleasure as Minister, the honour, of approving a number of them that includes four layoffs, such as Canada Packers, where we accommodated those older workers.

We have done that because it is important. It is a costly program for the Government, indeed a costly one. This administration felt it was the most humane way to deal with people in those predicaments and give them, in essence, some income to take them into their retirement years because the opportunities for them were not there.

I think it has been a welcome program by many who have received benefits from it, and so in a very well rounded way I think we are trying to address the issues of layoffs, and bridging that very difficult and painful gap that those who are laid off suffer.

Mr. Cheema: I was listening very carefully to the Minister's answers and questioning from the Member for Thompson. The Minister has gone over the same answer at least three times, and without being very specific.

With the shortage of time, I would like to ask him a very specific question, "How much is the money being spent through his department to make sure of the adjustment for these workers who have been

laid off?" Last year alone, there were 3,148 workers that were directly laid off because of the Free Trade Agreement.

This year, can the Minister also provide us with information on how many workers are laid off so far this year, and how much money they have spent and how much money they will be spending for the remaining year?" There are three questions on this.

Mr. Praznik: The Member for The Maples raises some very specific questions that I appreciate, and I am sure he appreciates as well that the Member for Thompson and I had rather detailed exchanges on some more philosophical and larger issues that the Member for Thompson suggested.

With respect to the specifics that he asks for, the specific questions occur on another line of the Estimates, but I could answer them here now; and, when we reach that line, the Member would have his answer. I am just asking for the staff to arrange some specific information; you will just have to pardon me a second. If the Member will just bear with me, I have some very specific information on what he wants, and I am sure he will appreciate those numbers.

Specifically for the Member for the Maples (Mr. Cheema) with respect to unemployed. He asked a specific question on how many layoffs due to free trade, and that is a number, I think, that he will fully appreciate is really unattainable by anyone because it is so filled with the subjective analysis of those who look at the numbers. One can look at Ogilvie Oats, for example, and say that is the result of free trade which Members of the main Opposition Party did, and yet it was a company that was operating with a millstone that had been installed prior to Manitoba's Confederation in Canada. So, again, a very subjective issue.

Many of the companies that have had layoffs have indicated that their layoffs were not due to free trade; that has been challenged by Members of the Opposition Party. So you can appreciate it is really impossible to give you that kind of numbers simply because it is so subjective, what is or what is not free trade. Conversely, it is equally subjective often to indicate whether a job-creation project or a new expansion is free trade or not. Some are determinable, but others are not.

* (2140)

What I can give the Honourable Member are some numbers for 1989 and '90 with respect to our

total unemployed in Manitoba and the number who represent layoffs, or lost jobs, and the percentage of the total unemployed. In 1989 we had 41,000 unemployed in the province, of which 23,000 were lost job or layoffs, and that includes seasonal job, on-call arrangements, temporary job dismissal, people who are fired, company moved or went out of business, economic conditions, but it excludes job losses due to illness, personal responsibilities, school and retirement. That represents approximately 56.1 percent of the total unemployed in the province.

In 1990, which is January to September of this year, we have had 40,000 unemployed, with approximately 22,000 who were lost job or laid off, representing about 55 percent of the total unemployed. If one goes back, for example, to 1982, just to put it in numbers in terms of recession, we had 42,000 unemployed in Manitoba, 26,000 being laid off or 61.9 percent. So we are running under what we were in 1982, which was during a recessionary period.

Now, to the Member for the Maples (Mr. Cheema), a number of our active labour adjustment committees—I have some information that I will just go over briefly, for the Member for The Maples.

Mr. Cheema: If you want to just pass it to me, that should be okay.

Mr. Praznik: I regret that I cannot do that because the form in which it occurs is part of my briefing book and, as the Member can appreciate I am sure, part of it is confidential information for the Minister.

Just to give you a brief rundown, where we have labour adjustment committees, where there have been layoffs, and I should point out as well that the Labour Adjustment Committee can work with and has worked with companies that have looked at an impending layoff, tried to find them new products and new investors and those types of things that assist with keeping those jobs viable.

Where a layoff has occurred: Ogilvie in Winnipeg—89 workers affected, Manitoba commitment \$10,000; LynnGold—workers affected 230, Manitoba commitment \$27,500 to that committee; Sandilands Forest Products; Molson Breweries; Canadian Forces Base, Southport; United Food and Commercial Workers and that was in the meat packing industry where the employers were not interested in the committee, the union took it on, and the list goes on.

Mr. Cheema: Madam Chairperson, my question was very specific. How much money was spent last year, and how much money is budgeted for this year specifically for the needs of these unemployed people either for retraining, counselling or finding another job? That was my question. How much money per worker will be spent this year?

Mr. Praznik: What I can tell the Member—what he is asking me is a bit of the impossible -(interjection)-well, let me explain, because when you said the total package spent on unemployed workers, that would include training dollars from another department, that could involve social allowances, training dollars from the federal Government, et cetera, which are not in my purview as Minister.

What I can tell him is the total expenditures of the Labour Adjustment Unit is \$636,800 as outlined on page 59 of the Supplemental Estimates.

Mr. Cheema: Can the Minister tell us how he can justify that last year, 1989 only, there were 4,101 persons who lost permanent jobs and for this year we do not have exact numbers, but perhaps \$680,000? How can he justify to finding—the retraining of jobs, the counselling? Can he tell us exactly how much that is per person who has been laid off?

Mr. Praznik: Madam Chairperson, just to clarify the question from the Member for the Maples, is he asking specifically the loss of some \$400,000 that used to appear in the Estimates? I can tell the Member, my apologies in not appreciating that since I was not in the Ministry last year, those dollars, when the labour adjustment unit moved from Education and Training to the Department of Labour, the downside was, as I understand it correctly, that the readjustment portion, or the education and training portion, those functions were transferred to the Department of Education and Training, some \$410,700.00.

Mr. Cheema: Madam Chairperson, the Minister mentioned previously that they have a success rate of 75 percent with adjustment workers. I think that is not true because there are a lot of people who have been laid off and been unable to find work. I will give him an example from my own constituency. I know three people who have worked for 40 years in Varta Batteries and they are basically skilled only for that profession. For the last six months they have not been able to find anything, other than the counselling procedure and that is very nominal. That

is the answer given by the branch itself, so can the Minister share with us the statistics on which he is basing his answer of the success rate of 75 percent?

Mr. Praznik: Madam Chairperson, I would like to add two caveats. One is with respect to laid off workers, this is only applicable to those who are part of labour adjustment committees and I do not speak for all layoffs, I think I had made that clear. Secondly, the numbers are based on only those who registered with the committee. So in the general sense the numbers that I have from the unit indicate that over 18 active committees, 1,546 workers were affected. The actual number of layoffs at the time of this report of that 1,546 were 1,048; the number of registered workers with committee 1,029; number of adjusted workers to date 553; workers actively looking for work 211; and the number of workers approved for retraining assistance 498. They indicate to me that is an overall success rate because of the retraining component of 75 percent.

* (2150)

With respect to Varta Batteries, and I am very glad the Member for the Maples raised that because that particular layoff raises some larger issues that obviously this department, Culture, Heritage and Recreation and others will have to deal over the next number of years. Varta Batteries had probably one of the poorest success rates of any of the companies that dealt with laid off workers. If I am just getting my numbers correct, number of registered workers were 102, only 5 were adjusted and 97 are actively seeking.

Part of the problem—and again I am very glad the Member for the Maples raised this—is Varta Batteries had a very high number of new Canadians employed in their operation and, needless to say, issues of language and skills updating and skills training, and just the opportunities often to search for new employment because one's realm of operation when one comes to Canada is often restricted to where you live and where you work and your community, and so you are not maybe able to look further afield. This indicates to us that we have some real issues to deal with in that particular area. Not easy ones and I am certain that the Member for the Maples over the next while will have some very good ideas that we can pursue as a Government and I am certainly willing to have a look at those.

Mr. Cheema: Madam Chairperson, I think the Minister has recognized the problem because that

particular unit was dealing with mostly new Canadians. They have been working there for the last 15 years, but whether you live in this country 15 years, I think it is a long enough time to make sure that those people also get some kind of help. I know that only on my street we have two or three people who have grown-up children, and they have put their house for sale, and they cannot find anything. I think it is very difficult for them to go through the educational part of the training or improve their skills. I think something has to be done, and that falls into my next question.

What is being done in the department of research to make sure that the jobs for the new Canadians who are underskilled to make sure that they get the opportunity to upgrade their skills and get jobs, because most of them end up working for \$4.70? That is a tragedy, that the lowest paid jobs are being looked after by the recent Canadians and also women. I think that is why there has to be some planning to make sure that the upgrading is done in those areas, and the workers are not exploited.

That is a clear example. Varta Batteries has clearly exploited the workers. The notice was given according to whatever the regulation we have here, but in terms of—they were given the reassurance that some of them will be given a job in Ontario, and some of them were offered jobs in Ontario, but nobody knows if that plant is even going to continue. For someone to just have been given a job termination without any proper notice and proper retraining in the future is very, very tough.

I think one of the things I learned personally during this campaign is that I went to many houses, and I really found there the truth that a lot of people were having a rough time even to have the basic necessities of life. That is why I am asking the Minister what special plans they have for re-education, for training, and make sure that the workers who come to this country, the recently arrived workers, are not exploited by some of the employers, because they do not have the language skills, they do not have a skill which is upgraded. What is being done in that regard?

Mr. Praznik: Madam Chairperson, the Member for The Maples raises an area that is perhaps one of the saddest and most difficult in our labour force. You have people who have come to Canada, some because they were forced out of their previous home, others because they saw limited opportunities in the place of their birth and looked to

Canada as a country where they could find a chance to have a decent job, earn a decent living, raise their family, and enjoy the fruits of their labour, in essence.

I do not say this just to put off the Member for The Maples or give him a little bit of rhetoric or anything of that nature. In my own family—when my family arrived in this country at the turn of the century, they went through very much the same kind of thing. It is a very difficult thing for a family. The issues of which the Member speaks ultimately have lots to do with skills, with what they have to offer in a marketplace besides eagerness and willingness and hard work, what practical skills that they can offer. Specifically with respect to this department, our role is one of working with the Department of Education and Training. We work very much with the Unemployment Insurance Commission.

I know for the Member for The Maples (Mr. Cheema) that sounds like: But we are not getting the results. That says to me very clearly that it is a very difficult issue. Resources in Government that we have there can only help so much. Particularly, with expectations, desperation sets in, and one appreciates that. The greatest sadness, of course, in Canada—when we look at the number of people we have and we look at our birth rate, we certainly need immigrants. We certainly need immigration, and we hold out that promise. In the end, we have a number of people, constituents of the Member for The Maples, who are indeed suffering and have found Canada not to be the land of opportunity that they had hoped it would be.

If the Member asks what specific plans we have, I can tell him, at this time, non-specific for that problem. We have general solutions, general policies, general plans, general initiatives, which, hopefully, will be of some service and use to those people. As Minister of Labour—and I am sure I can speak on behalf of my colleague the Minister of Education and Training (Mr. Derkach) right now—I am sure that is something that he and I in our role, in the labour force, will certainly have to have a look at it at some point in the near future, because it is a very important part of our labour market. We certainly feel, and I say that with all sincerity to the Member for The Maples (Mr. Cheema), for those people in that predicament.

Mr. Cheema: Madam Chairperson, the Minister had made certain comments, and can he tell me then: How can he or his department justify the minimum

wage—I will come back to the same question again—of \$4.70? There are some families in my area and also in the inner city where two or three families are staying in the same place just to meet the basic necessities. How long is it going to take this Government to take some action and come up with the minimum wage increase? It has been more than three years.

Mr. Praznik: Madam Chairperson, Members opposite have asked on numerous occasions in the House about the minimum wage and when this Government will move to increase that wage. In the course of those questions, and in the course of the discussions that have ensued, I think some misinformation has got onto the public record, particularly from Members of the New Democratic Party.

The Member for The Maples (Mr. Cheema) asks a question, and I have answered him in the House. I know he asks it with all sincerity. There is a process in Manitoba, as I have explained in the House, that requires the Minister to convene the Minimum Wage Board, which consists of representatives appointed from both employers and employees, from union and management recommendations.

* (2200)

Mr. Bernard Christophe, who is certainly well known in the labour movement to my friends opposite, is a member of the current Minimum Wage Board. That board advertises publicly for submissions, including from Members of this Legislature who have the opportunity to make representations to it. I do not know if that occurred over this summer while the board entertained submissions. They then sit down and write a report, and that report is then provided to tender to the Minister. The Minister takes it to Cabinet and a decision is made.

My colleague or my predecessor, the Honourable Gerrie Hammond, convened the Minimum Wage Board last June, I believe it was, or last spring. They have conducted that process and I am awaiting their report now. I found it somewhat ironical, I say to the Member opposite, the criticisms that were levied in the House today by the Member for Burrows (Mr. Martindale), because the kind of information I am hearing is that the delay may not be due to one Party or one side of the Party rewriting their specific part of the report. Members opposite might be a little bit

surprised to find out which side is doing that right now, and so delaying the report.

What I want to say to the Member is I am expecting that report will indicate some increase, and the Government, when they have that report—and I was hoping to even have it as early as last week, I expect that within a very short period of time we will entertain and look at that issue.

One misconception on the public record that I would like to correct, because I think the Member for The Maples (Mr. Cheema) certainly levels a fair criticism about looking at it annually, is comments made in a Free Press article in which the leader of the New Democrat Party indicated, and I quote the Free Press article, "Mr. Doer said the NDP used to review the minimum wage every year or year and a half."

When I go back and I look at the record of increases in the minimum wage, I see that most Governments in Manitoba, going back to Duff Roblin in the '60s, would look at the minimum wage almost annually until 1985. The real break in the annual review occurred when the New Democrats were in power in the eighties, in '85 and '87, so we are running somewhat behind the two and one-half year period that the New Democrats established. Part of that has to do with the delay in the minimum wage board over the summer, part of the information I have is people were on holidays, et cetera, and were not acting quickly, and I can appreciate that. I would have liked the report much earlier, but that process is in place.

I should tell the Honourable Member for The Maples that I think all other provinces, and I look to my department now for confirmation, use a process similar to what we do in terms of having a board review minimum wages. Quebec back in the '70s departed from this and went to a formula based on a percentage of the average weekly earnings. They quickly abandoned that particular formula, because all of the material they examined and looked at, they saw it created a reduction in jobs in the work force.

We are a little bit behind the two and one-half year schedule that the New Democrats left us with and I am hoping we can look at speeding that up on an ongoing basis. I am somewhat concerned as Minister about that delay, and as I said, the Members opposite may be very surprised at which members of the board are slow in getting reports done.

When the wage rate was increased across the country in other jurisdictions, although we are somewhat behind in our wage and our period for raising the wage, you will find that if an increase, as I suspect will be a provision of that report, that we will not be generally out of line with the rest of the country in our minimum wage, in fact be in about the middle where Manitoba probably is in most aspects.

Ms. Judy Wasylycia-Leis (St. Johns): Just changing the topic, for a moment at least, I would like to ask the Minister if he has seen to it that that legislation has been drafted to bring the maternity leave provisions of our employment standards legislation in line with the changes to the Unemployment Insurance Act at the federal level which were proclaimed yesterday?

Mr. Praznik: The question from the Member for St. Johns is certainly a welcome question and certainly a very appropriate one today given the proclamation of the federal legislation.

My predecessors, in consultation with Cabinet, certainly had the department gear up on this issue and, as a former Minister, I am sure she is well aware that options have to be looked at and implications, drafts and all of those types of things. I should tell her that, as Minister, I am looking at taking options, et cetera, forward within our administration.

One concern, of course, that is always there, and I think the Premier (Mr. Filmon) spoke very aptly about it today, was that the federal changes have just become law. Given what was happening in the federal Senate, and given other issues, one cannot introduce legislation often to deal with what may, or may not, be in federal legislation.

We were, yes, gearing up for this. We have some discussions that must take place internally. I appreciate the offer extended today by the House Leader of the New Democratic Party (Mr. Ashton) with respect to passage, et cetera. I, as Minister, obviously am involved in some briefings within my department as a new Minister. I have had some, as a new Minister, since my swearing into office. I would just remind the Member for St. Johns (Ms. Wasylycia-Leis) on two counts that nine other provinces, including Manitoba, have to make their appropriate changes if they are going to accommodate this legislation.

I think the Premier (Mr. Filmon), today in Question Period, certainly in response to a question from her Party, indicated a great willingness on the part of this

administration to ensure Manitobans are able to avail themselves of the benefits of these changes.

Ms. Wasylycia-Lels: I have some concerns about the Minister's suggestions this evening, as well as the Premier's suggestions earlier today, that more time is needed to respond to legislation that has been known and before us for two years.

I think we find ourselves in a situation somewhat similar to the controversy surrounding Barbara McDougall at present, who has complained consistently over the last little while that she was tired of waiting for the Senate to approve the changes to the Unemployment Insurance Act. Now that they are through, her department is not ready and she says she needs another whole month to get things ready, to get her office in order, in order to implement the amendments to the Unemployment Insurance Act, even though many or most of the provisions of Bill C-21 came into effect yesterday, November 18.

I would like to ask the Minister if he has not, in the interests of planning ahead, done just that, knowing what was entailed in this legislation, if he had not done some planning and had some drafting done to be ready for this day in the event that it did happen, and that it did happen as envisaged by his counterparts, the Conservatives in Ottawa. Has he not been prepared for this day, and can he not at least tell us if he has ordered legislation to be drafted?

Mr. Praznik: Yes, Madam Chairperson, there is one step in this process that the Member for St. Johns—and I do not fault her for not being aware of it, but I think it is an important one with respect to legislation dealing with labour management issues as this is—is to have the labour management review committee have a quick look at the discussion papers and options, et cetera, that are available and seek their recommendation.

I as Minister of Labour believe very strongly in the use of this committee on matters such as this, and I am not saying that should become a delay or stalling tactic, please do not get me wrong, but that board under my predecessor was reconstituted as an active body to a large degree, and I think one that is a very useful forum to be able to give us some quick advice. I intend to use it.

* (2210)

I should tell the Member for St. Johns, I appreciate her concern with moving quickly and I share that,

that a lot of work internally has been done by the department through the efforts of my predecessor, the Honourable Gerrie Hammond, and that this department is in good position now to move the issue through the regular review channels of Government on labour management issues.

As to the issue, I do not think there was much more that necessarily could have been prepared prior to that, because of the labour management review committee being reconstituted, and because, quite frankly, the legislation had not cleared the Senate, but the department has not been caught unaware, nor the Government caught unaware on these changes. We have substantial work done.

Ms. Wasylycia-Lels: I am quite concerned about a response from the Minister in his previous answer, about studying options, because I really do not see what options there are other than to amend the maternity benefits sections of the employment standards legislation to bring that legislation in line with the new changes to the Unemployment Insurance Act. We are talking about a fairly simple change of changing the wording in our current employment standards legislation from the No. 17 to the No. 25 to ensure that women or men who choose to take advantage of this new provision under federal unemployment insurance legislation will be able to do so without any threat or possibility of losing their job.

I do not know what other options there are, perhaps the Minister could clarify what other options he is looking at, and if so, how he is going to ensure that women, as of November 18, as of yesterday, who take advantage of this provision under the federal Unemployment Insurance Act will not have to worry about losing their job, will not be threatened by job loss or job insecurity.

Mr. Praznik: Just with respect to a part of the Member for St. Johns question about what options are available, I am not indicating to the Member that there are lots of options available. There are very few options available in dealing with this issue, but we do have a labour management review committee, even if the options are limited, and I think it is important for a Minister of Labour to respect that that committee exists and has a role to play. If we are going to use it on our labour legislation, that this is a matter that they should have a chance to peruse. I do not want to question their judgment or to

presuppose their decision, but the Member has hit it dead on.

There are few options, and I suspect after a quick review by the Labour Management Review Committee that they are probably going to come to the same conclusion that many other Members have come to already, including the Premier from his comments in the House, that that process is in place. I can assure the Honourable Member that will be a very speedy process that goes on concurrently as other things happen as we pursue this matter. I certainly have no intention to see the matter delayed unnecessarily.

I should tell the Honourable Member, as well, there is a concern, she has identified it needlöss to say, about women or mothers or fathers who avail themselves of these provisions. What guarantee do they have? I would hope, and again, hope is an illegal right, but I would hope that most employers in the country are adjusting themselves internally to this Bill. We always worry, and I do too, about those situations where there is a problem, where an employer does not accommodate these changes under the Unemployment Insurance Act. That is why a great deal of work has been done to date by the department under my predecessor. I pick up that work and now after being two months in the office, are charged with working it through the processes. So we are very much committed to having a look at this and pursuing it on a very, relatively quick timetable.

Ms. Wasylycia-Lels: Madam Chairperson, I still do not understand why it is taking so long for this Minister and this Government to move to bring provincial on line with the federal changes which have been known many, many, many months ago. We are going back to legislation for which we knew the details two years ago. I would think that the Minister would have a pretty good idea about how serious his counterparts were in Ottawa about ensuring this legislation was passed, all things being equal and, on that basis, done some serious planning. He certainly could have called the Labour Management Committee together by now and had some serious discussions about proposed draft legislation. I still do not see what other options there are, and I would like to ask the Minister: Is there any other option besides amending our employment standards legislation to bring it in line with the federal Unemployment Insurance Act?

Mr. Praznik: Madam Chairperson, of course there

are a number of options, meeting the federal requirements full on, making no changes in anything in-between. -(interjection)- No, I did not say that. We talked about options available and they are options. I would appreciate if the Member for St. Johns would not try to put words in my mouth because that is not what I said. She asked what other options are available. I said there are always options, but -(interjection)- you know, it is a very serious issue and the Member for St. Johns gets up before this Chamber, before this committee, and she says, why have I not acted right away since this then became law?

In eight other provinces, nine including Manitoba, no other legislation is introduced. In Ontario, where the New Democrats were elected a few days before our election, have they introduced legislation today? No, and I just say that because I come in as a department, the work has been done. People are not aware when that legislation is going to become law. It has just become law. We have much of our internal paperwork prepared to now take the issue forward. I am saying to the Member that I am very sympathetic to the case that she puts forward without prejudging the decisions of Cabinet or of the Labour Management Review Committee, that I am very much interested in seeing this progress in a timely way. I am concerned, as Minister, about those situations where mothers or fathers avail themselves of the new UIC provisions and that is not accepted by their employer

I hope within a very short period of time that we will be able to move on it. She is looking for an answer yesterday, and in no other jurisdiction did yesterday have an answer. She has to be a little reasonable on this. I am concerned about it. I appreciate what the Member is saying and will be advancing the issue in a timely fashion. If the Member wants it done yesterday, it is not going to be done yesterday. It was not even done yesterday in New Democratic Ontario.

Ms. Wasylycia-Lels: I am certainly not trying to get into a debate or get into any argumentative back and forth with the Minister. I simply want to have some assurances about provincial law being brought into line with these UI changes. I would like to point out to the Minister that we have been getting numerous calls from parents who are in the situation of expecting a child or adopting a child and wanting to know how they will be protected.

In fact, Madam Chairperson, in trying to find out

some answers we called the Employment Standards branch of the Department of Labour today, this morning, and we were told that if one was to take advantage of the 10 extra weeks provided under the Unemployment Insurance Act, the only way protection could be guaranteed was through amendments to the employment standards legislation. It is the Minister's own staff who have indicated that there is only one option, and that is the option of legislated amendments to bring the two laws in line.

I would like to ask the Minister since we seem to be getting into a back and forth over the word "options." Let me just ask him, can he give assurances to this House this evening that for any person who takes advantage of these federal maternity benefits and parental benefits that came into effect yesterday, will he guarantee and ensure that no individual will face a possibility of losing a job as the result of taking advantage of those benefits, those rightful benefits, long overdue benefits?

* (2220)

Mr. Praznik: Madam Chairperson, the commitment of this Government I think was made by the Premier (Mr. Filmon) before this House today, that we would attempt to parallel the federal amendments. We have a process that we have to go through to deal with that. Again, I appreciate the comments of the Member for Thompson (Mr. Ashton).

The question the Member for St. Johns (Ms. Wasylycia-Leis) asks about any circumstance that happened today in which someone took advantage of the federal UIC benefits without concurrence from their employer and consequently was in a position where employment could not be guaranteed, I am not in the position to guarantee to anyone outside of the provisions of the current legislation their employment, as she can appreciate, because that is an Act of the Legislature.

What I can say to her—and the assurance I can give to her is probably the greatest assurance of them all—were the words of our Premier (Mr. Filmon) in this House today, that we will move quickly toward that parallel. There are a number of quick processes that I have to proceed with as Minister, including taking discussion papers forward.

I appreciate very much the comments of the Member for Thompson (Mr. Ashton) in his capacity as House Leader about accommodating the

Government. Given the result of a number of decisions and quick consultations that I would like to make as Minister, I am hoping that we can see the Premier's commitment fulfilled quickly.

Ms. Wasylycia-Leis: Let me just ask one more question on this matter. Whatever option the Minister pursues, whatever parallel actions he adopts, can he give assurances to this House that the provisions, the benefits, will be retroactive to November 18, 1990?

Mr. Praznik: Madam Chairperson, as the Member for St. Johns, I am sure can appreciate, that as Minister of Labour, I have to take and require approval of Cabinet. When we bring a document forward, a piece of legislation forward, and it is voted on by the 57 Members of this House, who ultimately determine the shape of that legislation, I cannot guarantee to her today that will be retroactive. To do so would be to presuppose the decision of the 57 Members of this Chamber, and I am certainly not in a position to do that.

Mr. Ashton: Madam Chairperson, I have some further questions on UIC, but I just want to ask the Minister to put the situation in terms of the minimum wage clearly on the record.

If he wishes he can table into the public record, the increases that have taken place in terms of the minimum wage. I think if he does, the most obvious fact will be that this Government has not increased the minimum at all since it has been in power. I believe the last increase was September of '87, and this Government has not increased the minimum wage this year. I would hope that record would be made quite amply clear.

If the Minister wants to debate the minimum wage I think that is fine, but he will also—if he checks the record—find there were significant increases that took place in terms of the minimum wage when the New Democratic Party was in power previously.

What is noticeable is the silence of this Government. I take by the comments of the Minister that there may be some increase forthcoming. I just hope that it will not be too little, too late for the working poor. When I say the working poor, I mean people on the minimum wage.

I really look, for example, at the fact that we have, beginning in the new year, the GST being implemented. It is going to be a very tough time for the working poor of this province. I would ask that the—and I do not want to continue the debate. I

realize we have limited time in Estimates, but I would ask that he would perhaps take the time to place on the public record the increases that did take place in terms of the minimum wage, and I appreciate that he is—the new Minister—and I really seriously say this to the Minister that I am not blaming this Minister for the fact that there has not been an increase in the minimum wage. I am not blaming him whatsoever. I take him at his word that there will be a report forthcoming very soon and that there may be some kind of an increase. I appreciate that fact.

I do hope that he will not go too far to try and defend the previous two Ministers and the Government generally, because the fact is they did not increase the minimum wage, and the minimum wage has slipped. It was one of the highest in Canada and it slipped, relatively speaking.

As I said, if the Minister wishes to table the information on that—I want it to be the best way of dealing with that—for the public record when the last series of increases took place, then I think they will speak for themselves.

I want to ask some questions though further in terms of UIC and in terms of the impact on Manitoba and in particular the impact of the changes that were proclaimed as of today.

I realize the Minister is quite correct that this only just occurred today, but this was passed by the House of Commons a considerable time ago. There has been ample notice of these changes to UIC.

I would like to ask the Minister if there has been any analysis done by the department in terms of the impact of these cuts, in terms of unemployment insurance, and specifically if he can indicate what amount this Government anticipates it will impact in terms of money coming into Manitoba.

What impact will it have in terms of the number of people who will not qualify for unemployment insurance? Is there any analysis of the impact it will have on increasing number of people having to seek social assistance, in fact, any information the Minister could table on the impact of the recent UIC changes as it affects working people in the province. I was wondering if he could perhaps table them at this present moment in time.

Mr. Praznik: Yes, Madam Chairperson, the first part of the Member for Thompson's question, firstly I am advised by my department that the usual course in dealing with these issues is that we, as a department, deal with the Department of Finance

and the Department of Education and Training for their analysis and numbers on these specific issues, largely because of the effect of federal dollars in the province, a concern of the Department of Finance and the Education and Training side that our mandate as a department specifically has not involved a lot of those negotiations, those discussions. So I cannot, today, provide him with that information that he wants because of it coming out of other departments.

With respect to the minimum wage though, I would like to just make some comments. I am not here today to defend my predecessors in calling the Minimum Wage Board, nor will I defend the previous Ministers prior to the Member for Portage la Prairie and the former Member for Kirkfield Park holding this portfolio, the Ministers who did not convene the Minimum Wage Board between 1982 and 1985 and between '85 and '87, when we got into those two-and-a-half year cycles. They will have to answer for that on their own.

So I just raise that because the record is very clear as to when increases took place and the rather delayed cycle we are on is something that began at the beginning of this decade and not just since this Party assumed power. That is clearly on the record, and I think the public should be aware of that.

One other comment the Member for Thompson (Mr. Ashton) made with respect to the effect of the GST, I think it is important to note, because the Minimum Wage Board and perhaps, Madam Chairperson, I should just digress a little bit on process.

* (2230)

The Member for Thompson (Mr. Ashton) has said to me as Minister, and the Member for The Maples (Mr. Cheema) has said, when are you raising the minimum wage. The reason we have a Minimum Wage Board and the reason all other provincial jurisdictions have a Minimum Wage Board is because it provides a process where employers and employees, their representatives—those representing those paying minimum wage and those representing those receiving minimum wage—are able to meet at a table, hear public submissions, including submissions from Members opposite if they so wish to have made them, and determine a number that suits the province and all of the parties accepted, that will maintain employment, that will provide as high a wage as

practicable under minimum wage regime, and make a recommendation to the Minister. I think it has been the tradition of Ministers in this province going back many, many years, through Conservative and New Democratic Party regimes, to look very seriously, take very seriously the recommendations of that Minimum Wage Board.

So I certainly do not want to engage in a debate today with Members opposite on what the minimum wage could be, should be, because my role as Minister is to wait, and I take that very seriously, to wait for the report of the board and look to those who have been charged by this Legislature to examine the issue and to make a recommendation. The feelings of Darren Praznik as Minister of Labour are not really important on this issue. What is important is the work and the analysis done by the Minimum Wage Board.

I just want to stress that very much, and the place for many of the arguments that the Member for Thompson has made should have been in a submission to that board.

One other bit of information that I think has gotten bandied about in this House is with respect to the GST. One aspect of the GST which I think is very important for low-income working families of this province is the tax credit. When one looks at the GST credit, they see a basic credit of \$190 for an adult, a child credit of \$100.00. Single adults, including single parents, will be eligible for an additional credit of up to \$100.00. Single parents will also be entitled to a full adult credit of \$190 for one dependant child. So under the GST, lower- and modest-income families and individuals will receive substantial credit benefits.

For example, a family with two children and \$20,000 of net income will receive a GST credit of \$580 in 1991. A single parent with one child and \$20,000 in net income will receive a GST credit of \$480 in 1991. A single individual with net income of \$20,000 will receive a GST credit of \$290 in 1991. Those particular credits, if you look at the income available and what is purchased that will be taxable to GST, will—I am not saying it will alleviate all of it. In some cases, it may actually be a benefit, a plus benefit, but it will mitigate largely the effect of the GST. That has to obviously be taken into account by the Minimum Wage Board and social allowance rates and one cannot ignore that fact. It is there and it has to be dealt with or looked at at least or considered.

Mr. Ashton: I am surprised that the Minister read into the record those various numbers because, as I think he himself at the end indicated, the impact of the GST on the poor, this major new consumption tax, is still going to be significant, regardless of any of those tax credits. Every group that has looked at the impact of the GST has indicated that there will be people who, yes, will receive those credits but they will still be paying a significantly higher percentage of their income and quite frankly I was surprised.

The Minister should be aware that as many as 30 to 40 percent of the items in grocery stores, for example, will now be taxable. Restaurant meals, starting at whatever percentage, will be taxable. Haircuts will be taxable. Virtually anything that is a good or a service will be taxable. Many of those items under provincial sales tax or not are not taxable. Exceptions are built in.

I did not want to get into that sort of discussion but I hope the Minister will take the time to familiarize himself with some of those studies because the GST credits alone will not alleviate the impact on the poor. That is very clear. The poor are the greatest consumers as a percentage of income. This is a consumption tax.

My real question, as I said, was in regard to unemployment insurance. If the Minister does not have the information on the impact, will the Minister undertake to obtain that information via his staff and table that information in the House? It is very important information and quite frankly I do not know how the Minister or his department or this Government can plan in terms of working people, in terms of the impact, in terms of unemployment, without looking at the net effects of the unemployment insurance changes. We have seen estimates of as much as \$30 million being taken out of the Manitoba economy. We have no figures currently to indicate how many workers are going to be cut off because of these changes. Will the Minister undertake to find that information and provide it to this Legislature?

Mr. Praznik: Madam Chairperson, first of all, with respect to specific numbers and transfer of wealth from federal to provincial Governments, that information is largely in the purview of the Minister of Finance (Mr. Manness). I am not going to commit to this committee today to ascertain that information from him, that certainly could have been asked in

his Estimates or could be directed to him specifically.

As to information on the effect of unemployed in Manitoba, certain information is available to our department through the federal Government, and what is available for public distribution and what is not, I will ask my departmental staff to ascertain from the owners of that information, the federal Government, and would certainly be willing to make that available to the Member for Thompson.

Mr. Ashton: I certainly hope the Minister will obtain that information, because I think it is something that he as Minister should be very interested in. It is certainly very relevant to working people of this province.

I also have some questions in regard to another research and planning issue, final offer selection. I raised this issue last year, at which time it became quite apparent that the Department of Labour did not have any detailed studies of the impact of final offer selection. There were some statistical analyses available that really just looked at contracts, the number of contracts that had gone to final offer selection at the first application phase, the number that had gone through the second application phase and the number that had actually finally gone to a selector's decision.

I would like to ask the Minister in view of the fact that he is now proceeding as Minister as one of his first acts to move to once again try to repeal final offer selection, has he, or his department, obtained any—has a study been conducted, have interviews been conducted with people that have dealt with final offer selection? Has there been any detailed information assessed prior to this decision to repeal final offer selection?

Mr. Praznik: Madam Chairperson, the Member for Thompson, who is well acquainted with the repeal of final offer selection, should be well aware that this issue is one that has been opposed by this Party when it was first introduced. We moved in our first term of office to repeal. We moved again in the second Session of the Legislature to repeal final offer selection, and we have moved in this first Session of our Legislature to repeal. Now the Member for Thompson says wrong again. I would remind him that in the package of policies that this Party took to the electorate of Manitoba in 1988 and in 1990, that was a plank of our policy, it was a position of our Party, just as the maintenance of final

offer selection was a plank in the Party of the policies of the New Democratic Party.

I do not expect, for one moment, the Members of the New Democratic Party to support our legislation to repeal final offer selection. To do so would be a total betrayal of the electors who sent them to this Chamber.

Conversely, if we were to not make such a move and follow through with our policy, it would be a betrayal of those who sent us to this Chamber.

The Member for Thompson (Mr. Ashton) has asked in that context if the department has conducted interviews and studies. First of all, I think, given the issue, its history and its involvement in the election planks of both Parties, it would have been inappropriate for the department to be going out there and doing that kind of research.

Secondly, when one looks at the information that is available, I would think even the Member for Thompson, in even suggesting interviews, puts it in the connotation of a very subjective analysis.

Quite frankly, after having sat through very extensive committee meetings last year, what I saw as a private Member of that committee was a very subjective analysis at best of final offer selection, because what none of us will ever know is what went on amongst all the parties in any bargaining situation. Although we can assume, although we can talk to one side, we will never know entirely what went on and what made decisions take place.

The Member for Thompson (Mr. Ashton) knows from the speech that I gave in this House when I moved the Bill to repeal final offer selection, the very principled stand that this Party has taken, the reasons why we wish to move to repeal final offer selection, and quite frankly, we are proceeding on that basis. We have been consistent, Madam Chairperson.

* (2240)

Mr. Ashton: Consistently wrong and consistently making decisions not based on research or facts: that is the problem. The Minister likes to bring quotes before this House, but those who do not learn from history are condemned to repeat it.

In this particular case this Government has not learned. It has not even taken the time to ask people directly how final offer selection has worked. It has not interviewed participants; it is obvious from the Minister's answer. It has not provided any detailed

analysis of the impact of final offer selection. The Minister says this was an election commitment. I will tell you, I can point to other election commitments that the Government, at various times in its previous mandate and certainly currently, was quite happy to shelve once it was in office. I would suggest to the Minister that this might be a candidate for being shelved.

I would at least suggest to the Minister that if he was to make any convincing argument to anybody, the public of Manitoba, the working people of this province, he should have the information to back it up. He should have made the effort to make those types of studies.

I say in this case, this Minister, because even though he has only been a Minister for a short period of time he has introduced another Bill that would repeal final offer selection. I ask the Minister: What is this Government afraid of? Why will it not conduct a study? For the Minister is throwing a red herring to say there was an election. There was an election in August and September of 1990. This Government came into power, what, May 1998. It had May, June, July, it had all of the remainder of 1988, all of 1989, and all of 1990, up till August. There was no election on.

This is the third time they have introduced a Bill to repeal final offer selection. They have had plenty of time to deal with it. The Bill was introduced, as the Minister would know, with a sunset clause, understanding it was new and innovative. It was understood that it would be analyzed over that period of time. We have had considerable experience with final offer selection, so why has the Minister not said to his Cabinet colleagues, why has he not said to his colleagues in caucus, before we make a decision we should study this?

Is it, as those of us on this side suspect, because the real bottom line is here one of ideology, of a commitment made to the Chamber of Commerce, right or wrong, that this Government would repeal final offer selection whether it was working or not?

The Minister says, well, the Member for Thompson should know this or should know that or whatever. How should I know when there has been no study completed other than the fact that I have taken the time to talk to people who have used it?

I do not know if the Minister has, but whether he has personally or not taken the time to consult extensively on this, why has this Minister not

conducted a study into the impact of final offer selection in this province? Why has this Minister not directed his Research and Planning Department, before it brought in the Bill—before he brought in the Bill, it was a Government Bill—to go and get the information from the people involved, not just a subjective analysis but whatever statistical analysis, whatever interview information that could be gathered, whatever information, at least something, so that the Government would at least be acting on the basis of fact, the bottom line in terms of final offer selection instead of some campaign commitment to the Chamber of Commerce, instead of its right-wing ideology? Why has this Minister not directed that research to take place?

Mr. Praznik: The hypocrisy of the Member for Thompson is unbelievable, and why? Because when the Government of which he was a part brought in final offer selection, did they do one bit of study prior to bringing it in? Where are those reports?

Mr. Ashton: I believe the Minister is asking me a question. I recognize this is unusual, but if the Minister does wish an answer, I am willing to provide it.

Some Honourable Members: Oh, oh!

Madam Chairperson: Order, please.

Mr. Praznik: The Research and Planning Branch of the Department of Labour that he now asks, directs in fact, that I conduct studies of final offer selection, never had the same direction from the New Democratic Party Government of the Day. The Research and Planning Branch of this department that he now asks me to direct to do studies did not do -(interjection)-

Oh, research from other jurisdictions. Well, I have research, Madam Chairperson, from other jurisdictions. I have a report from Ontario that examined specific cases of final offer selection. I have examples of those who have used it, the troubles with it and the multi-issue that is there.

He asks today for the Department of Labour, Research and Planning Branch to do and conduct research that his Party never did when it introduced final offer selection.

The double standards that come out from Members opposite are just incredible. Madam Chairperson, Members opposite in the New Democratic Party have tried to build the case that if final offer selection is repealed our whole labour

relations scenario in the province is going to just be absolutely destroyed.

Just on the side, I notice the Member for The Maples (Mr. Cheema), and I recall his speech and the speech of the Member for Inkster (Mr. Lamoureux) on this item. They talked about having a study on proposals and discussions that went on between those two Parties at committee last year, where a proposed committee to study final offer selection was suggested I believe by Members of the New Democratic Party, and they proposed that a majority of the Members on it be representatives of unions. If I am not mistaken—no, the Liberals did not suggest it, the New Democrats suggested to the Liberals. I believe the Member for St. James (Mr. Edwards) alluded that in his remarks. That seems like a little bit of a stacked committee if you want my opinion. Is that the kind of studies you want? You know, majority union representation with a neutral chair. That seems a little stacked to me.

Madam Chairperson, if you look at the statistics for this province which is something that I have done as Minister, when you look at the rate of settlement, the number of negotiations settled without work stoppages, our percentages have run up and down following the normal recession, post-recession periods. We have had a very high percentage of settlement without work stoppages before we had final offer selection. If you look at the collective agreements in which it was applied, you see something like 70 percent of the applications coming from just two unions, or groupings of unions, United Food and Commercial Workers and Manitoba Food and Commercial Workers.

I would not say there is a great distinction between the two. If you look at the number, the success of our Conciliation and Mediation branch, somewhat 85 percent and I look to the department, of grievances that are settled, we have a very good record in our province, long before we had final offer selection, of working out our disputes without work stoppages. So the introduction of final offer selection has not changed that pattern whatsoever, and I have seen no evidence anywhere, particularly from Members opposite in the New Democratic Party, that would suggest that this repeal is going to see a growth of work stoppage situations in the next number of months.

In fact I suspect a year from now I will be able to rise in this Chamber and report to a labour climate in this province that is probably very similar to that

today, because final offer selection really has been utilized very, very little and by very few groups. It has been called upon in some 97 instances but only actually resulted in a selector making a decision in seven. The question we always have to ask ourselves is what happened in the end. Well, collective bargaining took place whether that was a tool that compelled it or not.

You know, there is the other part of the argument, Madam Chairperson. The Member for Thompson (Mr. Ashton) said, you see it is forcing them to be reasonable and to settle. I say to the Member for Thompson, maybe then this Government should have brought in an amendment as I outlined in my speech or proposed in my speech where we would have compulsion on both employer and employee sides, where the employer compels the use of final offer selection and not just the employee side. I know that kind of evenhanded use of the tool, because if the tool is such a good tool to prevent strikes and walkouts, then why are we not letting employers have the ability to compel employees to use it? Why are we not? We are not because then it becomes a very effective tool to break strikes.

* (2250)

You cannot have your cake and eat it too. When you look at the work stoppage rates in the Province of Manitoba, and you look at our labour relations climate, the reality is that it has had very little effect if any. That is the kind of numbers we see. I think Members of the Liberal Party have recognized that by and large.

You know, we get into these arguments, and the Member asks for all kinds of information on final offer selection. The kind of information that one has to look at about what our labour relations climate is like, is there now. It is in the public record.

Mr. Ashton: Madam Chairperson, the Minister has obviously not bothered to check with the background of final offer selection. I sat on caucus Committees with the NDP Government in terms of final offer selection. Extensive information was gathered about final offer selection and the impact that it had on the jurisdictions where it had been applied.

The Minister plays a convenient game here by forgetting to put on the record that final offer selection had not been in place in terms of legislation in Manitoba. There was very limited experience from other areas of Manitoba, most of

the experience was within other areas. That is why, when it was brought in, it was brought in on a sunset clause. It was experimental. It was understood at the time that it was going to be in place for five years and would be reviewed. That was inherent in the Act.

So for the Minister to say that the Labour Department did not do this kind of study prior to its introduction, well it did not have any experience in Manitoba. It had not existed in legislation, but it has existed in legislation in Manitoba since it was brought in place by the NDP Government previously. It has existed while this Government has been in office since May of 1988, and it is currently in existence. This Minister and this Government have had the opportunity to analyze it and by the lack of an answer, the lack of any information, I assume that his answer to my question was, no, they have not conducted any detailed information.

By the way, if the Minister wants to get into the debate, I will correct him once again in terms of any suggestions we have made about a review. We felt it was pointless to have a review until after the process had been over, at least to give it the full first five years. We had certainly suggested in terms of any review that you have a representative of business, of labour, and a neutral chairperson. That is not stacking the committee, for the Minister. I would suggest he not take second and third hand any suggestions or ideas that have been made. -(interjection)-

Neither for the Minister of Education (Mr. Derkach), Madam Chairman, I do not think he should take anything second or third hand. Besides he is too busy investigating school boards right now. Perhaps he should deal with that and find out some of the things happening in his own department without interrupting in terms of the Minister's own department because I would be glad to discuss those items with him. -(interjection)-

Madam Chairman, if the Minister wants to talk about my school board and the fact that he has been dealing with them I feel in a way that is a considerable overreaction on his part, I will deal with it. This is the Department of Labour; the Minister should realize that.

I am dealing with the comments made by the Minister of Labour and to the Minister quite seriously, all that we are asking for—when I say “we” this one area, probably the only area in final offer

selection where the Liberals and New Democrats agree. Last year in essence the Member for St. James (Mr. Edwards), who was then the Labour Critic, indicated very clearly that he also agreed.

Despite our disagreements on the bottom line of the issue—I know the Liberals are still opposed to final offer selection and would repeal it. That is apart from the fact that the Opposition has stated quite clearly that they feel this Government should conduct those types of studies. I mean, the Minister should be aware, we have had the experience in Manitoba. We did not have it before; it was new at the time.

So I ask the Minister, is he really afraid of conducting that study? Even now after he has introduced the repeal of final offer selection, will he not agree to have a study conducted by his department? If he does not feel the resources exist in his department, would he not agree to have a study conducted perhaps by some outside authority. I am not suggesting a biased authority. I am suggesting someone who could be quite neutral, someone who has had experience in labour relations. I know one name that has been suggested, for example, would be Wally Fox-Decent, who has had experience of labour arbitrations. He has certainly proved his neutrality in terms of the very important issue of Meech Lake. Anybody who could sit and come up with an all-party agreement on Meech Lake, we should have had working on final offer selection a long time ago.

Even if this Government is insistent on pushing ahead and repealing final offer selection, something it has a great deal of control over given its majority in this House, will it not at least conduct some sort of study? I would hope the study would be conducted before, because that is the only way it really has much impact. Will it not give some analysis to the experience with final offer selection?—because I guess what I have trouble with is that this Government is saying this is such a priority, and yet on the other hand we hear this Minister in Estimates saying, oh, well, final offer selection has been in place and has not really had that much of an impact.

Which side are we supposed to believe? Is it this bad anti-business legislation that the Conservatives talk about on the one hand, or this minor relatively neutral legislation that the Minister is seeming to suggest? There is one way to find out, and it is to conduct some sort of a study into it. There is an area

where we disagree with the Liberals. Last time they did want to have the study after the fact. I think the appropriate time is before the fact, so you can make a decision based on that. That was the suggestion made by the Minister. If the Liberals are willing to change their position and have a study that has some impact on whether the Bill stays in place, I am quite willing to accept that.

Will the Minister undertake to do that? If not in the interests of good Government, because I think good Government should conduct studies to obtain this sort of information—something we did do, by the way, when we brought in final offer selection from other jurisdictions. I can show the Minister my own files—I have a file about that thick on final offer selection with information that was part of the original discussions. I am willing to show that to him if it is not on record with the department, which it should be. Would he not do it now at least?

It may be for academic purposes, but I guess I, as someone who has a bit of a background in labour economics and considerable contact with people who have used final offer selection, would at least like to see—even if it is the Government writing the obituary—something in the obituary other than: final offer selection killed because of a promise to the Chamber of Commerce in ideology. I would like to see in it—I remember the previous Liberal Labour Critic called it “noble experiment” even though he did favour its repeal. I would like to see something. Will the Minister at least undertake, all politics aside, to analyze the experience of final offer selection for as long as it is in place in Manitoba?

Mr. Praznik: Yes, Madam Chairperson, I think there will be many in the academic community who will undertake their reviews, et cetera, in the course of their studies, the history of final offer section in Manitoba, and I do not think there is a need for me to instruct the Department of Labour Research and Planning to do, what I am sure, many in the universities will do as a matter of course. I am sure the Member for Thompson will enjoy reading their findings.

* (2300)

The Member for Thompson (Mr. Ashton) raises some points that I think need some clarification. Of the 90 plus applications, 96 or 97 applications having been made to date, I understand that upwards of 70 were voluntarily withdrawn because agreements had been reached. When you look at

the success rate—and I am sure the Member for Maples (Mr. Cheema) will appreciate this particular point—of our Conciliation and Mediation Branch, where they from 1985 through to 1989 have had success rates of reaching agreement without work stoppages in 88.6 percent in 1985, 88.6 percent of the cases in 1986, 84.3 percent in 1987, 90.2 percent in 1988, 92.2 percent. In 1989, just last year, 96 percent of the disputes that came before the Conciliation and Mediation branch were settled, settled in a voluntary way by two parties coming together and collectively bargaining.

The Member for Thompson (Mr. Ashton) alluded to his experience in studying labour economics. Well he is not the only Member of this House who studied labour economics. I had the great privilege of studying labour economics under I think one of the great labour teachers in our province, Emmett Mulvaney, who served in the Department of Labour some years ago, in the '60s I understand, and who taught at the University of Winnipeg.

One fact that comes home time and time and time again when you look at labour management issues, that the best result for everyone is always obtained when parties come to the table and bargain hard, bargain collectively and reach an agreement because there, there is a win-win for everyone and not a win-lose, not even an arbitration under final offer selection.

The Member for Thompson (Mr. Ashton) makes his point about the study, and there is one other point that I wanted to make. I am very glad the Member for The Maples (Mr. Cheema) spoke the other day so eloquently in this House because he raised a very good point.

The Member for Thompson today gets up and asks for a study on final offer selection. The Liberal Party made that proposal in committee in the last Session of the Legislature and Members of the New Democratic Party in the committee room just outside this Chamber stood up and voted for the review and a process that would have given a review.

Remember, the process that they brought into this House back when they introduced final offer selection had no provision for a study. The Liberals brought forward that proposal, and what did Members of the New Democratic Party do? What did they do? I ask the Member for The Maples. They stood in this House and voted against a review. They voted against a process of review, and today

in this Chamber they asked for just such a review; again, hypocrisy—hypocrisy, Madam Chairperson.

Mr. Cheema: Madam Chairperson, can the Minister of Labour tell us now, he has given the assumption that when they brought in FOS in 1987 and no study was there, so they wanted to have this for five years, and the arguments from the Member for Thompson (Mr. Ashton), as the Minister has said and it is very well on the record, that they opposed the amendment. That amendment was to review after the repeal of the final offer selection, and now today the Member for Thompson is asking for the independent study.

I just want to ask the Minister why, when this is a major issue, it was a major experiment and they had a department, they have such people, why was there not independent ongoing research done for the last three years?

Mr. Praznik: Madam Chairperson, in answer to the question from the Member for The Maples, the department has done ongoing research since the introduction of final offer selection. In all of the cases that have applied or all of the situations where an application was made, we have kept very detailed records of the number of workers affected, all of that type of material and the disposition of those cases. I think what the Member for Thompson (Mr. Ashton) was suggesting is that the Department of Labour should be out interviewing various parties to those agreements to see if FOS affected it.

What I said to the Member for Thompson is that is a very subjective analysis. In a bargaining situation, you and I, myself and the Member for The Maples (Mr. Cheema) may be bargaining, I will never know why the Member for The Maples finally came to an agreement, nor will he know why I finally came to the agreement. We can have our theories about it, but we will never really know what went on in each other's minds or behind the scenes to give us that agreement. So it is very, very subjective.

To answer specifically the Member's questions, we have kept a very accurate and very detailed analysis of the cases where final offer selection has been applied for since it became a law. I have made reference to those in my speech before this Chamber when I introduced the Bill.

Mr. Cheema: Madam Chairperson, is the Minister willing to share that information with the Members of the House?

Mr. Praznik: Yes, Madam Chairperson. In fact, I

believe that information was shared with the House in the last Session of the Legislature, and we will ensure that you have our records on those cases. It is not text accompanying each; it is the statistics as to what happened in the dispositions. I can assure the Member for The Maples (Mr. Cheema) that staff will provide that to him and as quickly as possible. I will give him that undertaking tonight.

Mr. Cheema: Madam Chairperson, when we have all the information, all the data is there, why not have a review done after the repeal of the final offer selection and make sure that all the fears are put to rest? Whatever the false or the right or wrong perception is in the mind of the various parties and various people in Manitoba, that should be set to rest.

I would ask the Minister to review his stand and make sure that the review of the final offer selection is done after the repeal.

Mr. Praznik: Yes, Madam Chairperson, I appreciate fully the comments of the Member for The Maples (Mr. Cheema). I can assure him that this department will continue, as is part of our mandate, to monitor labour relations in the province.

I think the telling tale will be to look this time next year, and perhaps maybe not next year, because with the beginnings during recessionary periods there tends to be a general reduction in work stoppages, et cetera, because jobs are tighter, all of those negotiating reasons, but to look at our statistics over a number of years.

I think, if you actually looked at them over a 20-year period, say, from 1980 to the turn of the century, you will probably find that the period of final offer selection had no blip whatsoever in those particular periods, and those kind of statistics we keep at an ongoing basis. I will have an interest in looking at those, as I am sure is shared by the Member for The Maples (Mr. Cheema).

Ms. Wasylycia-Lels: One of the areas where we have seen very extensive research and study being undertaken by the Department of Labour has been in the area of pay equity.

We have been asking questions for a good two and a half years now about the intentions of this Government on pay equity, and the answers that have come back and back and back have referenced task forces and commissions and studies and working groups, and so on. I would like to get a better sense of where the new Minister of

Labour stands vis-a-vis the considerable amount of research and study and planning that has been undertaken by his department.

Mr. Praznik: If the Member for St. Johns would indulge me, just a short aside. Our last round of discussions on the maternity-paternity leave, I omitted to tell her perhaps I have a conflict of interest as my wife is expecting in May, so it does have an immediacy within our own family.

On the issue of pay equity, first of all, as a Government we are committed to pay equity. The Member for St. Johns made reference to studies, consultations and discussions, and I know in Government, no matter what Party occupies the Treasury Bench, that often happens as a matter of course and sometimes comes to be used as a delaying tactic. I think all Parties have used that from time to time over their course of being in power.

I would say to the Member for St. Johns that is not the case with this particular issue. One only need look at Ontario to see the way in which they moved with, one could say, lack of consultation and discussion and the immense number of problems they are encountering with a very complex system. They are having a very difficult time in dealing with it, where the people who were implementing it were not aware of all of the rules, or those who were providing information were not aware of all of the issues, where there is no preparation to make allowance for those additional dollars that have to be found, et cetera.

They have a real mess in the Province of Ontario, and I believe very sincerely that her Party, when it occupied these benches, was committed to pay equity in such a way that it could be achieved as quickly as possible with minimum disruption and kind of chaos that we are seeing in Ontario.

* (2310)

That is why I think, ultimately, that the legislation with respect to the nursing profession was limited to initially 23 facilities, in order to—with the involvement of the employee representatives, agreed to with that kind of understanding—provide a way of working out those problems in a manageable form.

This Government, as we have indicated, is committed to carry that on. We have prepared substantial framework, et cetera, for implementation in education. We see things moving forward in other

courses, and so we are committed to continuing, to working to achieve pay equity.

Ms. Wasylycia-Leis: First of all, let me congratulate the Minister of Labour and his wife on the news of the upcoming birth of their second child. I wish him well in pursuing parental leave under the circumstances in this Legislature.

Back onto pay equity, I was most interested to hear the Minister put on record that all of these studies and consultations around pay equity have actually been a delaying tactic. Those certainly were not my words, Madam Chairperson.

Point of Order

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

Mr. Praznik: I never once said that. What I said to this committee was that often in Government studies can be used for that, but it was not the case with pay equity. I said that very clearly. I want the record to show that. It did show that, Madam Chairperson, and I would hope that the Member for St. Johns (Ms. Wasylycia-Leis) would refrain from that kind of misuse of comments by Members of this House, in order to carry on a co-operative and a useful discussion on pay equity.

Madam Chairman: The Honourable Minister of Labour does not have a point of order. It is a dispute over facts.

* * *

Ms. Wasylycia-Leis : Let me proceed right to the heart of the matter then and ask the Minister if he could give us some indication that all of this consultation and study and working-group activity is actually going somewhere. I could accept the notion that a lot of research and planning and study and consultation is necessary if one could see some results. We have been hearing about a lot of research and planning and study and consultation for two and a half years and no sign of that going anywhere in concrete terms.

I would like to ask the Minister since we are dealing with research and planning, and I reference a report that I finally received on May 23, 1990, from his predecessor which summarized the contributions made by different individuals and organizations during his Government's pay equity consultations, and reference a couple of statements

made in that report and ask for some comments on that.

It is indicated on pages seven and eight that support for the extension of pay equity through legislation was stated unanimously by virtually all the labour and women's organizations that responded. On page eight the report states that "most of the private sector employer organizations did not agree with legislation as a vehicle of change."

Could I ask the Minister if the inaction to date, and the action of deciding not to proceed with pay equity as his predecessor stated during the Estimates of January 25, 1990, are we to draw any conclusions from that in conjunction with this report? Is the inaction or the action not to proceed with pay equity reflect this Government's rejection of unanimous support by women and labour groups in this province? Is it a response to the wishes of the private sector?

Mr. Praznik: I am sure despite whatever I say on this side of the House, the Member for St. Johns (Ms. Wasylycia-Leis) is probably going to draw the conclusions that she wants out of that document and out of my statement. I can assure her that as Minister responsible for pay equity, myself, the Minister of Education (Mr. Derkach) and others are proceeding through the process of implementing pay equity. I think the Member will be happy with the results within a very close period of time.

Ms. Wasylycia-Leis: Let me reference a few specific research and planning and study and consultation undertakings made by Members of this Government and ask where that work is at.

Back in July or June of 1990, the Minister of Education in a letter said he was sitting down over the next few months with education people and discussing pay equity in the school board sector, and said that meetings were taking place in September 1990. Could I ask the Minister where those consultations are at and what decisions are forthcoming as a result of that consultation process?

Mr. Praznik: The Member is asking with respect to education I believe? Madam Chairperson, as I am sure the Member for St. Johns appreciates because it took a great deal of her time as well this summer, our provincial election, needless to say, delayed those consultations and some of that process. I can assure her that we are on track in that area and that

she will be pleased with what will take place in the very near future.

Ms. Wasylycia-Leis: Let me ask the Minister about progress on the municipal front and put it in the context of his predecessor's comments back in January of 1990 that a working group had been set up with her department and the City of Winnipeg to discuss implementation of pay equity at the municipal level, or at least at the City of Winnipeg level. Could I ask for the results of that working group consultation and discussions?

Mr. Praznik: I can assure the Member for St. Johns that discussions between our Pay Equity Bureau, and providing advice and information to the City of Winnipeg continue on an ongoing basis. I can tell her, as well, that I have a meeting scheduled with the mayor of the City of Winnipeg and senior officials for December 3 of this year.

Ms. Wasylycia-Leis: I would like to ask about progress in the health care sector. The colleague of the Minister of Labour, the Minister of Health (Mr. Orchard), has stated in this House that he needed the time to see the results of the implementation of pay equity among the 23 facilities spelled out in Schedule A of The Pay Equity Act.

I would ask the Minister of Labour if he has, in concert with his colleague, the Minister of Health, now studied the results of that pay equity exercise, and if they are now prepared to move to extend the legislation to cover all health care facilities?

* (2320)

Mr. Praznik: Madam Chairperson, I remind the Member for St. Johns that the Minister of Health has always been committed and indicated the Government is committed to the implementation of The Pay Equity Act and completion of that process.

The matter of extending those provisions to the health institutions that were not named in that particular piece of legislation, those outside the 23 named institutions, I would tell the Member for St. Johns that all of the health care facilities that are in my constituency and the nurses I represent are just about all in that excluded category. I believe Selkirk Hospital, which serves as part of my riding and where some of my constituents work, was one of those 23 institutions.

It is certainly a matter that is of great interest to me personally and as Minister responsible for pay equity. In my discussions with the Minister of Health (Mr. Orchard), I understand that the issue of

extension will be dealt with in the regular discussion and negotiation process, and viewed administratively as opposed to additional legislation. Those discussions, I take it, should begin at some point in the near future, if they have not already, and I think the details are best left for the Minister of Health (Mr. Orchard) as to the status of those discussions.

Ms. Wasylycia-Leis: I have just a couple of more questions on pay equity as it relates to research and planning. Would the Minister be able to tell this House how many other jurisdictions have followed in Manitoba's footsteps and introduced pro-active pay equity legislation since our model came into effect in 1985?

Mr. Praznik: Madam Chairman, that is a very good question from the Member for St. Johns (Ms. Wasylycia-Leis) and if she will just bear with me as I gather that information from my staff.

Just to simplify briefly the process, I understand that Ontario has obviously brought in legislation under a very different model than ours. In the Maritimes, three provinces, New Brunswick, Nova Scotia and Prince Edward Island, have brought in legislative models. Newfoundland negotiated as opposed to a legislative model, and British Columbia has just begun the negotiations on the process.

It is a rather complex scheme of things across the country, and I would be pleased to table for the Member for St. Johns the chart that would indicate a relatively current status of pay equity across the country.

Ms. Wasylycia-Leis: Madam Chairman, I appreciate the information provided by the Minister because I think it is important for Manitobans to realize how we paved the way here for many other jurisdictions and have, in fact, led to some significant changes across the country.

My final question is very simple and it does not relate directly to the Minister's own efforts on pay equity, but it does tie in directly to research and planning.

During the last election campaign the Leader of the Liberal Party (Mrs. Carstairs) was reported to have said that she did not support legislated, pro-active pay equity legislation in the private sector because she felt that this would lead to establishments hiring men over women. I am wondering if the Minister can tell us if there is any

research to back up such a statement, any documentation to give any credence to that kind of argument.

Mr. Praznik: Madam Chairman, I would like to point out to the Member for St. Johns (Ms. Wasylycia-Leis), as I am sure she is already well aware, that the Leader of my Party, the Premier (Mr. Filmon) of our province, has indicated that our Government would not be moving to legislate pay equity in the private sector. Having said this, I would like to just put that in the context for a moment because I think one has to look at the context in which that statement is made.

Clearly, any large employer, particularly who is unionized, has the option of negotiating pay equity in a collective agreement. That option is certainly therein being pursued and should be pursued. One of the great difficulties in Manitoba with pay equity in the private sector is the very large number, a very large percentage of small businesses that we have in our province. I know the Member for St. Johns (Ms. Wasylycia-Leis) is very well aware the rule that we have been following on pay equity is the 10/70 percent rule. In other words, we have had to have 10 people in a job category of which 70 percent are of one particular sex, males or females, in order to use that category as a comparison.

When you look at the number of employers in Manitoba who have shops with a limited number of employees—and we look at the numbers here, if the Member will just bear with me, in Manitoba, 90 percent I am told of our businesses have approximately fewer than 10 employees, so there would not even be 10 employees within the workplace for a category. Ontario has an exemption for businesses with fewer than 10 employees. In Manitoba, given the make-up of our economy, that represents a very large proportion of our labour force.

I am sure the Member for St. Johns (Ms. Wasylycia-Leis) can appreciate the great difficulty, that even if one were to have legislated pay equity for the private sector that its effectiveness would be very, very small for the vast majority of private sector employees in the province. In the cases of larger industries where you are going to be able to have the job categories with over 10 people in them of which 70 percent belong to one sex for the purposes of comparison, that option is open to the collective bargaining agreements that exist in those shops.

When you look at the numbers, it is probably very, very small numbers of people who are either in industries that do not have the option to negotiate it collectively or are in companies that would not be caught by a legislated pay equity regime anyway.

Madam Chairman: Item 1.(c) Management Services: (1) Salaries \$1,137,700—(pass); 1.(c)(2) Other Expenditures \$150,300—(pass).

2. Labour \$7,626,500 2.(a) Division Administration: (1) Salaries \$144,400—(pass); item 2.(a)(2) Other Expenditures \$24,200—pass.

2.(b) Mechanical and Engineering: (1) Salaries.

Mr. Ashton: Madam Chairperson, I have a number of questions under this section. What I would like to ask is what has taken place following the Solvit explosion? I remember last year we had discussed in Estimates the fact that the Mechanical and Engineering branch of this department was aware of some difficulties at the Solvit plant prior to the explosion. I would like to ask the Minister if he could deal with this section or if he would prefer, we could deal with Solvit in a later section. I would like to get a complete update on what has happened following the Solvit disaster.

Mr. Praznik: Madam Chairperson, if the Member for Thompson would deal with this under the heading of Fire Commissioner's Office of Workplace Safety and Health, it is probably more appropriate there than Mechanical and Technical. We would certainly be prepared to provide as much information as possible to the Member, but the correct heading would be a little later on, if that suits the Member.

* (2330)

Mr. Ashton: Fire Commissioner or—

Mr. Praznik: Fire Commissioner's or Workplace Safety and Health. Preferably Fire Commissioner's.

Mr. Ashton: I thank the Minister for that suggestion because I do want to make sure that the appropriate staff are available, that we can get a complete update.

I do have another question and that is in regard to the licensing of projectionists. As the Minister is, I am sure no doubt aware, I have raised this concern in the Legislature previously. In fact last Session a provision had been included in The Statute Law Amendment Act which we opposed and was subsequently withdrawn. It would have effectively delicensed projectionists.

I have had the opportunity to meet directly with

projectionists. They have strenuously opposed having projectionists delicensed and have pointed out that there are various hazards involved, explosive bulbs, for example, working in high-voltage situations. They do believe the kind of training that does accompany the qualification they have had in Manitoba the last period of time has been fairly important.

I would like to ask the Minister if he has had the opportunity to meet with projectionists and discuss their concerns and, if not, whether he will undertake to meet with them so as to deal with their concerns. I believe they are very legitimate concerns as we have expressed in the Legislature previously.

Mr. Praznik: Madam Chairperson, yes, in answer to the question from the Member for Thompson. I am sure he is very well aware that technology in projection rooms has advanced to the point where flammable film and carbon arc lamps are no longer being used. The danger to the public from fire, et cetera, in the whole industry, is reducing. So what we have is an industry that is changing.

I appreciate very much his concern. I am pleased to advise him that my predecessor, the Honourable Gerrie Hammond, along with the Deputy Minister and one of our directors, the Director of Research and Planning, met with representatives of the union who represent projectionists, and commitments were made to keep them abreast of what was happening in the rest of the country. At this particular point, I am advised as well, Madam Chairperson, that the Deputy under the previous Minister, wrote to their representatives, and we are still awaiting the reply on where we go from here on this particular issue.

If there need be in the future a requirement for another meeting, I would certainly be prepared to do that. I am sure the Member for Thompson (Mr. Ashton) will appreciate we are accommodating an industry that is changing. The technology is changing and we certainly want to ensure that safety is protected, as well as our regulatory role is updated to fit the new technology.

Mr. Ashton: The technology has changed but there are still hazards involved. In fact, when I raised this last year the Minister at that point in time had not met the projectionists and obviously subsequently did.

Really all I am asking from the Minister is two things. I would like to give him the opportunity to put

it on the record, first of all that he will undertake to meet with the projectionists if necessary to discuss their concerns.

The second point though is that he will undertake not to bring in legislative changes because, as I have said, part of the package of Statute Law Amendments last time was a section that would have put this into place. It was removed at our request. I do commend the current Justice Minister of the Conservatives (Mr. McCrae) who did respond to our concerns and not proceed with that.

So I am asking for two commitments. One is to meet with the projectionists. The second is not to bring any legislative changes until he has at least had the opportunity to review this matter.

Mr. Praznik: Madam Chairperson, certainly I can make that commitment to the Member for Thompson. As a new Minister, as I am sure he can appreciate, one comes into the department and there are many issues such as this that are there that one becomes briefed on.

I can assure him that before I would introduce any amendments, I would meet with them, and hopefully we can work out the issue to everyone's satisfaction, always remembering that we have to ensure public safety. I am certainly prepared to make that commitment to the Member for Thompson tonight.

Mr. Ashton: I thank the Minister for that commitment.

One final question, and I raised this a couple of years ago. It is in regard to one of the roles of this section of the department in terms of the inspection of amusement rides. One matter that has been of concern to me is the fact that you do periodically have some very serious incidents involving amusement rides. There have been a number in Manitoba.

I just want to ask the Minister if there has been any review of the current process of inspections. What particularly concerns me is not so much the standard Red River Exhibition rides. I do believe there has been a fairly extensive inspection of those types of rides, but there is a proliferation of, an increasing number of ride operators that operate for example in parking lots and malls and move around from community to community.

Quite frankly having two young children and having seen the condition of some of the rides, I have a concern as a parent. I would like to ask the Minister if perhaps there has been any review of the

role in terms of this department—I realize it is not strictly this department that is responsible for those safety factors—perhaps if such a review has not taken place, whether there could be an undertaking to provide it because I do believe there are some potential problems in terms of safety.

Mr. Praznik: Madam Chairperson, if I could ask if the Chair does not turn my microphone on until I rise to speak. It makes it difficult in discussions with the staff. If I may just have a moment.

The Member for Thompson raises an area that I too share a great deal of concern being the father of a young daughter and attending fairs in my constituency throughout the summer.

I share with him this information just to preface the remarks with respect to inspection. Of the four incidents that were reported to the Mechanical and Engineering Branch regarding amusement rides this year, I believe they include a child being injured in a ferris wheel accident at the Buffalo Barbecue, a worker injured at the Red River Ex, a child injured at the Selkirk Avenue Fair, and a person injured at Tinkertown.

In all cases, and this is the dilemma that I am sure he appreciates, they were the result of human error, either beginning the machine before people were safely on it or an error in assembly of the equipment, et cetera. That is why it is so very, very difficult to deal with this issue, because of the human factors I am sure he can appreciate.

Consequently, because of that concern I know all Members share, the letter which we sent to all operators at the beginning of the season has now been amended to stress the need to provide proper training to operators or to the actual person who is operating or assembling the equipment. The owner of amusement rides obviously has a big stake in that because of the obvious liability issues. We are hoping that kind of awareness will see some improvement in those kinds of statistics where human errors cause needless injury and suffering to either employees or the users of amusement rides. I would add the specific comment on our inspection process, that pursuant to the Act we do inspect each operation at the beginning of the season when they are reassembling their equipment, and throughout the season as they move we do spot checks on these amusement ride operators. We are watching, but it is interesting to note, and I am sure the Member

for Thompson will find interesting, that most of the injuries are the result of human error.

Mr. Cheema: Madam Chairperson, I think the Minister will recall that last year the elevator was stuck at Health Sciences Centre and there was a patient being transferred from the floor to the surgical unit and it was a tragedy that could have been avoided if there was an inspection of the elevators done more regularly. Can the Minister of Labour tell us what is the normal duration for the inspection of elevators in the hospitals and all of the emergency places?

* (2340)

Mr. Praznik: Madam Chairperson, I am advised by the department that our procedure is to inspect elevators, a minimum of once every three years. In the case of older elevators we inspect more often, so it is a sliding scale backwards.

Another factor that enters into the equation is if the owner of the building that contains the elevator has a regular service agreement with an elevator service company and we check on that. Unserviced elevators that are older are checked much more often than new elevators or elevators where there is a regular maintenance program in place.

Mr. Cheema: Madam Chairperson, can the Minister of Labour (Mr. Praznik) tell us if there is a special provision only for the hospitals to make sure that elevators are checked on a more regular basis, and make sure that the patients do not get stuck up in the elevators?

Mr. Praznik: Madam Chairperson, we as the department, I am advised, do not have a specific maintenance program for hospitals. Again I say to the Member for The Maples (Mr. Cheema), it is largely because of the context of the one- and three-year maintenance program and the special provision for maintenance agreements that the owners of buildings have. That case at the Health Sciences Centre, I understand that they have a maintenance provision of their own elevators. One can appreciate the importance of those elevators in often life-and-death situations, and so as part of their maintenance program they review those elevators.

With respect to the specific incident that the Member refers to, I am advised by the department that upon inspection there was no clear indication that the elevator malfunction was due to mechanical or electrical causes. That poses an interesting question as to what happened, but it was not one in

which increased inspection would have caught a problem and prevented that particular incident. So I am advised.

Mr. Cheema: Madam Chairperson, I think it is worthwhile exploring that avenue and making sure that there are the provisions for the hospital at least to make sure that the elevators are checked on a regular basis, especially when the elevators are going from the emergency to the surgical floors or on the medical floors.

My next question is to the Minister. On page 35 there is \$71,900 under the Severance or Vacation Pay on Retirement. Can the Minister explain to us why that is? Somebody was fired or somebody retired? What happened? Who got this \$71,900.00?

Mr. Praznik: Madam Chairperson, first of all, with respect to hospital elevators, one thing that I can ensure within my department is that we are checking our maintenance agreements with hospitals or the maintenance provisions that hospitals have to ensure that they are adequate.

With respect to the second point, on the line \$71,900 for severance provision, we had three employees who retired. They were not fired. They were not let go. They retired because I would assume they reached an age for retirement, although it is not legal for me to ask or inquire as to their age.

Mr. Cheema: Madam Chairperson, can the Minister tell us if there are any vacant positions in that department under the 37 SYs?

Mr. Praznik: Madam Chairperson, I would advise the Member for The Maples that, from the material that I have, as of the end of October we have no vacancies in that branch.

Mr. Cheema: Madam Chairperson, can the Minister tell us: What is the target of your Affirmative Action Program in that department, and how much have they achieved in terms of visible minorities, women, and Native groups?

Mr. Praznik: Yes, Madam Chairperson, I would be pleased to table for the Member for The Maples (Mr. Cheema) the current status that I have on affirmative action in the Department of Labour. Just for his interest, I should tell him that two of the difficulties that we have in achieving our affirmative action targets are: one is turnover within the department that limits the number of new positions that are available; and the second is self-declaration. I do not know for many, but a number of employees in the

Civil Service do not wish to declare that they are a visible minority or Native, et cetera. So our numbers are not always accurately reflective of the situation. They do give us at least a minimum that we know are there.

Within the Department of Labour our historical turnover has been six percent. We have a position base of 307.24 positions, and I believe that our target for visible minority is 19. We presently have 10 within the department. So we are on the road and we hope that we can achieve that as soon as possible.

Mr. Cheema: Madam Chairperson, can the Minister then tell us what specific measures he will take to ensure that these target groups are at least notified or if there is some kind of advertisement? Most people do not even know that there are jobs that are vacant. It becomes very difficult for them to come to this building and find which job is vacant. So, as there are a lot of ethnic people, can the Minister tell us, has he ever done any advertisement in the local ethnic papers?

Mr. Praznik: Madam Chairperson, I am somewhat in a quandary in answering the question because it falls largely under the responsibility of the Civil Service Commission and my officials from that department are not here this evening. Well, they are here in the gallery, and it is a matter best left for that particular area of Estimates.

I can tell the Member for The Maples (Mr. Cheema), that upon assuming the responsibilities as Minister responsible for Civil Service Commission and for the Department of Labour and going through some very extensive briefings on how we are doing in the Civil Service and dealing with those issues, the concern that he raised with me tonight is one that I have raised with my departmental staff and, hopefully, we will be able to get into some detailed processes of how we are going to be dealing with that when the Civil Service Estimates come forward.

Mr. Cheema: Madam Chairperson, my next question is quite a sensitive one. I will take some time to explain to the Minister that the problem of racism is not unique to one department or the other. It is very prevalent among some of the workers, depending upon how you look at this. It becomes very difficult for the newcomers, especially with the language barrier and the cultural barriers. Most of

them do not know where to go or what to do with their problems.

Can the Minister tell us what specific plans they have within the department to fight this very unwarranted illness, I would say, a very, very unwise decision of some of the employees and sometimes the co-workers? If you hear about racism at the higher level, it becomes very evident because these people mostly would know how to approach that but at the workers' level, this problem is there. It really causes a lot of pain and grief for the many communities.

I would ask the Minister that if they do not have any programs, I would ask him to look into that and make sure to take some positive steps. They should probably consult some of the communities, and the labour groups, and the Civil Service Commission, and have a plan. That is why I think it is so important to have the director of the affirmative action put in place, to make sure that the programs are implemented. I will ask those questions specifically in the Civil Service Commission. I would ask the Minister to look into this matter which is a very serious threat.

Mr. Praznik: Madam Chairperson, the question that the Member for The Maples asks is a very, very real problem for many people, not only in the public service, but in private industry and the general work force. All of us in public life through our own opportunities, I think have a commitment and have an obligation to work towards the elimination of that type of racism, in whatever form it takes in the department.

I think we can get into a more detailed discussion on the Civil Service as a whole in Civil Service Commission. I am pleased to tell the Member for The Maples that within the Department of Labour under the direction of my predecessor, the Deputy Minister issued a policy guideline and directive to all staff, through the Assistant Deputy Minister, that racist comments, jokes, all of those types of what sometimes appear to be harmless things among those telling them, but in reality are very vicious, demeaning and destructive acts to those who are recipients of them, particularly new Canadians who are just establishing themselves, or people who are a visible minority.

I do not like, Madam Chairperson, that term visible minority because so many who are the visible minority in Canada are the majority in the world

when you look at the planet as a whole. One always has to be careful about those terms. They are not often the best terms to use.

Having said that, that directive within our department stands under me as Minister, and that is something we will not tolerate. I ask the department here, have we reprimanded anyone within our department under those directives? -(interjection)- Yes, and we have issued a number of verbal warnings to staff to clean up their act in those kinds of cases, and that will continue under my tenure as Minister of Labour.

I should tell the other Member as well, that my predecessor, the Honourable Gerrie Hammond, in co-operation with my colleague, the Honourable Bonnie Mitchelson, and with the Manitoba Federation of Labour, worked together to hire a co-ordinator for an anti-racist campaign to be operated out of the Manitoba Federation of Labour. We have been working beyond our department to fight that very terrible disease of racism in our society.

Mr. Cheema: Madam Chairperson, I thank the Minister for this answer. Can he share with us any statistics available within the department dealing with that issue?

Mr. Praznik: Could the Member be a little more specific as to what he is looking for in this area?

Mr. Cheema: Madam Chairperson, I am asking if there are specific statistics available how many labour—at the workplace a few people are having trouble, and they have filed a grievance in their department, they have complained within the Department of Labour or with the Civil Service Commission. Are there any statistics available?

Mr. Praznik: Madam Chairperson, since the process is new both to myself as a new Minister and the Member for The Maples, I would like to get just a further clarification so that the staff are able to see if we can ascertain those numbers.

Is the Member looking for numbers as to the number of grievances that may have been filed because people did not get jobs, or because they were working in the department and felt there was a situation where they had -(interjection)- both.

Those numbers are kept, if they are available at all, by the Civil Service Commission. I understand, and I am looking up at the gallery to my Civil Service commissioner—I do not think the details would be public information, but the statistics would be. In the

Civil Service portion of the Estimates we would be very happy to provide you with as much detail as we can.

Madam Chairman: 2.(b) Mechanical and Engineering: (1) Salaries \$1,470,300—(pass); (2) Other Expenditures \$289,300—(pass).

Item 2.(c) Fire Prevention: (1) Salaries \$1,707,000—shall the item pass?

Mr. Ashton: I have raised my concern about the need to improve our activities in this particular area. I note from the budget document that there has been an addition of two staff years for development and production of public education materials related to fire prevention. I am wondering if the Minister could outline the specific activities that are planned for these individuals in this section of the department.

Mr. Praznik: Madam Chairperson, the two staff years, I am advised, with the department were for public education. One of the things that the department has produced in the last year that I saw as a backbench Member and thought was tremendous and now have the privileges as Minister of bring to this House, is our Nero and Ashcan series.

An Honourable Member: It looks like the Simpsons.

Mr. Praznik: Yes, it looks like the Simpsons, the Member said.

It is designed for schools, day care, for kindergarten and maybe Grade 1, we think. It consists of a whole bunch of information. My daughter loves this, the "Be Cool" Nero and Ashcan, playing with fire is not "cool" and it is not a good thing to do, and it is a great educational tool.

We have had tremendous success with this. Although I am not at liberty to formally table this to the House because we are so short of kits, I can make arrangements to loan this to Members of the New Democratic Party, particularly the Member for St. Johns (Ms. Wasylycia-Leis) if she would like to take it home and try it out to see if it is an effective tool.

I loan it to her only on the understanding that she bring it back in the next few days, because our staff need it for other purposes in the department. I certainly would like to provide it to her and the Member for Thompson if they would like it for a week or so to test out on their children to see its

effectiveness. I would be delighted to make that available to them.

In addition to Nero and Ashcan we have done a number of things in public information material development and distribution in a variety of areas, conferencing materials for emergency services, newsletters, fact sheets, safety fact sheets for distribution, brochures, a variety of things, advertising planning development, a host of things we have done with that money. That happens to be our flagship and our greatest pride and joy of the department.

I hope the children of the two New Democrat

Members that I have provided that for enjoy it thoroughly, because I know their parents of course will not have any interest in it. They will just be taking it home for their children.

Madam Chairman: Order, please. Committee rise, call in the Speaker.

IN SESSION

Madam Deputy Speaker: The hour being after 10 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

Legislative Assembly of Manitoba

Monday, November 19, 1990

CONTENTS

Concurrent Committees of Supply

| | |
|---------------|------|
| Urban Affairs | 1462 |
| Labour | 1502 |