



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

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**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

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

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, June 4, 1991

The House met at 1:30 p.m.

### PRAYERS

#### ROUTINE PROCEEDINGS

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mrs. Louise Dacquay (Chairman of Committees):** The Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for Niakwa (Mr. Reimer), that the report of the committee be received.

**Motion agreed to.**

#### TABLING OF REPORTS

**Hon. Glen Cummings (Acting Minister responsible for The Civil Service Act):** On behalf of the Minister of Labour (Mr. Praznik), I wish to table the 1991-92 Departmental Expenditure Estimates for the Manitoba Civil Service Commission Employee Benefits and the 1991-92 Departmental Expenditure Estimates for the Manitoba Civil Service Commission.

#### INTRODUCTION OF BILLS

#### Bill 68—The City of Winnipeg Amendment Act (2)

**Hon. Jim Ernst (Minister of Urban Affairs):** I move, seconded by the Minister of Government Services (Mr. Ducharme), that Bill 68, The City of Winnipeg Amendment Act (2); Loi no 2 modifiant la Loi sur la Ville de Winnipeg, be introduced and that the same be now received and read a first time.

His Honour the Lieutenant-Governor, having been advised of the contents of this bill, recommends it to the House.

Mr. Speaker, I also have a message from the Lieutenant-Governor to be tabled as well.

**Motion agreed to.**

#### Bill 67—The Salvation Army Grace General Hospital Incorporation Amendment Act

**Mr. Paul Edwards (St. James):** I move, seconded by the member for St. Boniface (Mr. Gaudry), that Bill 67, The Salvation Army Grace General Hospital Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation "The Salvation Army Grace General Hospital," be introduced and that the same be now received and read a first time.

**Motion presented.**

**Mr. Edwards:** Mr. Speaker, I recommend to all members of the House a speedy passage of this bill. It deals with the amalgamation, organizationally, of The Salvation Army in Canada and the resulting need to amend the legal name of The Salvation Army in The Salvation Army Grace General Hospital Act.

Mr. Speaker, all members will be aware of the many decades of service of The Salvation Army to the poor and destitute in this country. In particular, those from the St. James-Assiniboia region will be well aware of the decades of service of the Grace General Hospital in our area and indeed for the city of Winnipeg.

Again, I recommend speedy passage of this relatively technical bill to all members of the House.

**Motion agreed to.**

\* (1335)

#### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of honourable members to the Speaker's Gallery, where we have with us today His Excellency Sadok Bouzayen, the Ambassador of Tunisia.

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

Also with us this afternoon, we have from the Parc LaSalle School, fifty-five Grade 5 students. They are under the direction of Aimé Cyr. This school is located in the constituency of the honourable member for St. Norbert (Mr. Laurendeau).

Also this afternoon, we have twenty-one Grades 7 and 8 visitors from Our Lady of the Way School in Stratton, Ontario. They are under the direction of Mr. Ron Fryer.

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

## ORAL QUESTION PERIOD

### Collective Bargaining Government Position

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, over the minority government period in subsequent dates, there are a number of comments on the public record showing the Premier's (Mr. Filmon) support for the free collective bargaining principle within our democracy.

Announcements yesterday by the government show that the words of our Premier are similar to the words of the Prime Minister, the Conservative Prime Minister, when he talked about medicare being a sacred trust. They were not true and they were not honest with the people of Canada, and this Premier is not true and honest with the people of this province.

Mr. Speaker, I would ask the government, why, during the election, they could say any further significant changes to Manitoba labour laws, except for final offer selection or The Civil Service Act, would only be undertaken after consultations with public business and labour, quote the Premier?

Further quote: we believe that negotiated settlements should take into account all legitimate factors that are brought to the bargaining table by both sides.

I would ask the government why they broke their word on that principle in this bill they announced yesterday?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I categorically reject the assertions by the member opposite.

Let me say that the government had basically three choices as it came to a decision point as how to handle some of the process leading to settlements. We could either hurt our chances for economic renewal by increasing taxes, we could cut jobs and services to people or we could ask everybody to share the burden of the reality of the times and put aside their wage demands for one year.

Mr. Speaker, to me and indeed to this government, the choice was very clear. It is not an option to raise taxes. It certainly is not an option to reduce services and throw more people out of work. The option was to ask everybody to share in the difficult times that we are in and consequently to ask all of us, as did the members of this Chamber, as indeed political staff, as senior executives, ask everybody to take a wage freeze for one year.

\*(1340)

**Mr. Doer:** Mr. Speaker, there is a fourth option. The government could have kept its word and practised the principle of free collective bargaining that the Premier (Mr. Filmon) promised during the election and after the election right in this House. You can negotiate together collectively to share the pain, but you have to sit down as joint parties at the collective bargaining table if you believe in the principle of free collective bargaining.

On November 5, I asked the Premier, in his Estimates, how he could allow COLA settlements at Workers Compensation and what impact that would have on other settlements in the province of Manitoba. The Premier went on to lecture the New Democratic Party that his government believed in the free collective bargaining system, Mr. Speaker, free collective bargaining process between management and its employees. At the same time, the Premier said we do not go the step of setting firm top-down guidelines for our public employees. It would make no sense at all in setting a limit for all Crown corporations and not applying that limit for settlements for teachers, university professors and staff. We would have to go the full board said Filmon.

Again, I would ask the Minister of Finance, why did the Premier (Mr. Filmon) break his word with the legislation announced yesterday by the Minister of Finance?

**Mr. Manness:** Mr. Speaker, nobody has broken their word, to use the vernacular of the Leader of the Opposition. I would ask the Leader of the Opposition which hat is he wearing in this whole issue? Is he speaking purely for MGEA, or does he care at all about the taxpayers of this province?

I say to the members and I say to all Manitobans, we have been elected to govern. We have been elected to make decisions, at times very difficult decisions but in the well-being of the majority of the people of the province of Manitoba.

The member opposite can try and do what he wants, but he cannot reject the fact that, from 1982 to 1990, MGEA has averaged an increase of 64 percent whereas the cost of living has gone up 43 percent, whereas the average composite industrial weekly earnings have gone up 33 percent. That is the reality since 1982 to 1990, and the reality is under legislation in place today. The government's ability, i.e., the taxpayers' ability to pay is not being taken into account. This government is taking it into account.

**Mr. Doer:** Mr. Speaker, we have negotiated zero percent increases at the bargaining table, something this government cannot do and has not the confidence to do.

Again, further to the Premier's (Mr. Filmon) word, we believe that our differences should be worked out in the free collective bargaining process, October 16 in Hansard. "I will repeat that free collective bargaining process ought to prevail and that they ought to go forward and attempt to resolve the differences at the bargaining table." Again, the Premier in this Chamber.

Again on November 6, Mr. Speaker, in this Chamber, Filmon says: "The fact of the matter is . . . there is no club and there never will be a club from this government. We will act in good faith at all times in the open free collective bargaining process with all of the employees with whom we have to negotiate."

I would ask this Minister of Finance, does the Premier's word not mean anything in this Chamber at all?

**Mr. Manness:** Let me recite for the record specifically what the government has done with respect to try and find a solution with the MGEA. Mr. Speaker, we had discussions with Mr. Olfert, representing the MGEA, in December. January 18, the government's offer was provided, and that was a no increase in the first year, and the second in the second year.

Mr. Speaker, February 6, the Premier and Mr. Olfert met to try and explore the creative solutions as offered by Mr. Olfert. February 13, the Premier (Mr. Filmon), the Minister of Health (Mr. Orchard) and myself met with MGEA to discuss the creative solutions, and the creative solutions by MGEA at that time that were offered were not to get into governance of our community colleges, to tax the

corporations in a greater fashion. Those were the creative solutions of the MGEA at the time.

Mr. Speaker, on May 9, we put a revised offer out. I asked the MGEA leadership to take it to their members for a vote, and that was categorically rejected right at that point in time, not even offered to the membership for a vote. On May 30, the Premier and Mr. Olfert met again, at which time the Premier attempted to find whether or not there was a will or desire by the Government Employees' Association to work towards a solution in keeping with the taxpayers' ability to pay. All of that was rejected.

### Bill 70 Fairness

**Mr. Gary Doer (Leader of the Opposition):** Let the records show that, on the three occasions that the Premier in this House stated that this government believed in the free collective bargaining process, all three times that he said that in the House, Mr. Speaker, he has broken his word to the people of Manitoba and members of this Chamber—completely.

Mr. Speaker, the other interesting thing about Conservatives who break their word is that, when they do it, there is a double standard in the way they break their word. There is one standard for the highest paid in the public service and another standard for the lower paid people. That, of course, is consistent with the Tory philosophy of taking care of the highest paid in our society and letting the rest be subject to the vagaries of this capricious and whimsical government.

Mr. Speaker, we have raised the question before with judges. We told the Minister of Finance two years ago that he would rue the day that he brought that legislation in. How can this government justify the fairness of a bill that allows provincial doctors to get 7 percent, to allow a fairness of a bill that does not include the fee-for-service doctors who are getting a mandatory zero percent, and having nurses aides in Portage constituency, Selkirk constituency and general hospitals—having nurse's aides and some of the lowest paid people being designated to get zero percent when the highest paid people are not covered by your legislation?

\* (1345)

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, when we put the bill together, it was guided by principles, two basic principles; firstly, that

we would not roll back signed settlements indeed where increased salaries already started to flow. We would not impose retroactivity upon situations like the government-employed doctors. I can assure you, I can assure the member, if that agreement had not been signed, indeed, if there had not been already an increase in salary, the doctors would have come under the imposition of this act. That was one of the first principles. Of course, the nurses were excluded because of our statement. Secondly, we said we would try and keep the scope relatively narrow and deal basically with those groups that receive direct funding from the province of Manitoba.

I think the Leader of the Opposition has some gall when he tries to set up this economic class warfare, because I find it surprising in reading in May 18-20, the Financial Post, where the NDP in Ontario are plotting \$11,000 raises for senior civil servants in the province of Ontario. Maybe the member would like to be critical of the action of the Ontario government also in this sense.

**Mr. Doer:** He will find in the same publication the next day an apology, because the Liberals brought in those wage increases and the Financial Post had it on the front page to embarrass the New Democratic government. You had better read right along.

Mr. Speaker, the Minister of Finance did not answer the question. He did not answer the question in terms of the fee-for-service doctors, why they were not covered with a zero percent, because there is no principle in this bill dealing with the lowest paid people in the public service. They are only taking care of the highest paid people in the public service, and that is one of the principles that is contained within the Tory legislation.

I would ask the Minister of Finance, how does he justify giving Oz Pedde a 15.4 percent increase in one of the Crown corporations over the former head of the Crown corporation when he is freezing, at zero percent, telephone operators, hydro workers and other telephone workers in the province of Manitoba? How does he justify that?

\* (1350)

**Mr. Manness:** The irony of that question is that it was the member himself, when he was the super minister, a head of all the Crowns, that set up the wage classifications, and it was he who put three or four of the major Crowns, namely Manitoba

Telephone System, in the top classification. The top classification within the Crowns has a range of pay between 130 and 150.

Let me get back to the former question, Mr. Speaker, the MMA. Since we have been in government and entered into negotiation and agreement with certain groups we have tried to stress the government's, i.e., the taxpayers' ability to pay. We have entered into an agreement with the Manitoba Medical Association where they have agreed to come to the arbitration process and let the arbitrator put some significant emphasis on the taxpayers' ability to pay.

We entered into that agreement in good faith. We want that process to lead to its logical conclusion. If the arbitrator of the day does not take into account the taxpayers' ability to pay within this act, we can move, and I can assure you we will.

**Mr. Doer:** The government is just nervous about their argument about ability to pay, because arbitrators are starting to raise the Pines scandal as one of the examples of government priorities in terms of the ability to pay.

Mr. Speaker, how can the government have a system of legislated controls when university professors received a 5 percent settlement in 1991? The government is then going to ask the lowest paid all across the public service, the nurse's aides, the people who are putting out forest fires, the people who are helping all across this province—how can they have one standard for one group, again a relatively high paid group, and another standard of zero percent for the lower paid groups?

**Mr. Manness:** Mr. Speaker, I find it unconscionable that the Leader of the Opposition would change his tune from week to week on this issue.

We are verbally whipped in Question Period by questions from the members asking, imploring us to spend much more. I direct you to the university in support of all of the wage demands of that facility. Yet I can indicate to you and to the people of the province of Manitoba, nothing distressed us more when those settlements came in. Nothing distressed us more.

Again I can indicate, if indeed there had not been signed agreements in place, the scope of this act may very well have been broadened to include universities, since they receive such a large portion of their funding from the province.

Mr. Speaker, I am going to be introducing this bill tomorrow for second reading. At that time, I will ask the member, if he feels strongly in this, maybe he would like to bring forward an amendment dealing with MMA and maybe also with other groups in society he feels that should come under the purview of this act. The challenge will go directly to the Leader of the Opposition, and to him I issue that challenge.

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

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

**Mr. Doer:** Bunch of liars.

**Mr. Speaker:** I would ask the honourable Leader of the Opposition to withdraw that remark.

**Mr. Doer:** I withdraw that remark, Mr. Speaker.

**Mr. Speaker:** I would like to thank the honourable Leader of the Opposition.

### **Bill 70 Justification**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, the Minister of Finance just made the statement that it is unconscionable for the Leader of the Opposition to change his mind. Well, the Leader of the Opposition, with all due respect, does not have powers which affect the lives of thousands of Manitobans who have been affected by a change of position of this government, a change of position from December to April to June.

Can the Minister of Finance tell this House today why he settled on the third option when he had already violated his first and his second option, first of all, by offloading expenditures to the municipalities thereby forcing them to increase taxes and by cutting jobs throughout the Civil Service in the province of Manitoba?

\*(1355)

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I find it passing strange, to use a term, that the Leader of the Liberal Party would ask that question, because I know one thing as fact, the Leader of the Liberal Party will never ever protect the taxpayers in this province. She could care less about the taxpayers in this province.

As I said yesterday in the press conference, the government takes no great satisfaction in bringing forward this legislation—absolutely not. Mr. Speaker, the choices are very, very limited. There are three, and I will repeat them: either we raise

taxes; either we cut jobs and services to people; or thirdly, we ask people to share in the hurt associated with taking less.

Mr. Speaker, we did ask the leadership of MGEA to present that offer to their members, and they would not do it, yet the Leader of the NDP talks about an arbitrator. When an arbitrator says, and I quote: the ability-to-pay argument relied on by the employer to a great extent has been the subject of considerable comment by arbitrators across Canada and, for that matter, in the United States, it may suffice to say that the vast majority of those arbitrators rejected that argument.

Mr. Speaker, when an arbitrator rejects the ability of the citizens and the province to pay, I say the member for the Liberal Party has to take sides on this issue. She has to decide who she is with. She has to decide whether or not she wants to see services maintained, whether she wants to see the tax structure maintained where it is, or whether she wants the deficit and taxes to soar.

**Mrs. Carstairs:** Mr. Speaker, taxes are soaring in every single municipality in the province of Manitoba. One school division in this city alone was forced to raise its taxes by 15.7 percent as a direct result of this government's lack of funding for education; 958 positions have been cut from the Civil Service, so they have done those two things.

Can the minister tell this House today what he is not telling the public about his own financial forecasts, because there can only be one explanation for why he has introduced this wage freeze at this point, and that is that the economic forecasts he gave us in the budget are no longer valid.

**Mr. Manness:** The essence of the Leader's preamble was simply spend, spend and spend some more. Let me say, with respect to the wage freeze, on December 14 the government gave strong and fair notice to all those bargaining with government. There was so much in the wage increase envelope. We said we had enough to satisfy on average 3 percent. Mr. Speaker, we provided for the nurses who we said we would treat specially, and we have, when we have honoured that commitment, on average in the first year, a 7 percent increase.

Mr. Speaker, you do not have to be a mental giant to realize that, if you provide 7 percent to some and your general guideline is 3 percent, obviously

somebody is going to take less than 3 percent. We asked the leadership of the MGEA to take to their membership zero and two over two years. They chose not to.

Mr. Speaker, with respect to the final point, that somehow our financial numbers are deteriorating to such a point that the government feels pressure to bring in this particular legislation, I say to the member as I stand here, having seen only April's revenue account on the taxation, that we are on course. Nothing has deteriorated, as per the presentation in the April budget.

**Mrs. Carstairs:** Mr. Speaker, if it is such an amount that it is on target, how does he explain that he has no money left? After commitments of 3 percent, he has cut 958 Civil Service positions in the province of Manitoba, he has offloaded education expenses onto all the municipalities. How come he does not have the money to give what he committed to on December 14, which is the 3 percent?

\* (1400)

**Mr. Manness:** Mr. Speaker, there is no focus to the member's question. On average, once we take into account the nurses' settlement, we are providing in the wage envelope a 3 percent increase, just as we said we would, but the member says we are cutting jobs. Of course, she likes to use the number 958. She knows fully well that those were staff positions.

She knows that for the most part they were vacancies, and let me report further, Mr. Speaker, of those 958 today, there are 175 full-time positions affected, because through the enhanced severance package that we have offered, a number of civil servants have come forward, offered to take voluntary retirement, and we have been able to make a significant match between those on the re-employment list and those who have voluntarily decided to retire.

Mr. Speaker, let us set aside the 958 number. In the context of individual persons, 175 were affected by the internal reform process that we went through in the budgetary process.

### Minister of Finance Credibility

**Mr. Steve Ashton (Thompson):** The hypocrisy of this government knows no bounds, Mr. Speaker, when with one fell swoop, this government has destroyed collective bargaining in the public sector in Manitoba. With the bill introduced yesterday is

introduced a new set of rules, heads I win, tails you lose, for 48,000 Manitobans. It also has not only destroyed the word of the Premier (Mr. Filmon), it has destroyed the word of the Finance minister and House leader.

I want to ask the House leader: How can anybody believe his word when he, through agreement with all three parties in this House, agreed to proclamation of the bill repealing final offer selection on March 31, which would have resulted in the casino workers, the operating engineers and many others having access to final offer selection? How can he now turn around after guaranteeing final offer selection would be in place for those workers and break his word as brought in by the bill yesterday?

**Hon. Clayton Manness (Minister of Finance):**

Mr. Speaker, I quote from Hansard, Wednesday, January 17, 1990, and I am quoting the member for Thompson, who also, that particular day at least, was concerned about the arbitration process that is in place, that is guaranteed by law, because in his words, ". . . which stifles, which freezes the bargaining process, because the incentive under traditional arbitration is for parties to be put in extreme offers under the assumption that the arbitrator will bring in a decision in the middle." That is using his words.

I am not a labour expert, indeed, as the member for Thompson would claim to be, but I do know that, within The Labour Relations Act, there is a reference saying that an arbitrator should take into account the province's ability to pay, yet the last awards that have come as a result of FOS, an arbitrator has said, and I end up his quote, if I were to accept completely the ability-to-pay argument, there would be no point in arbitrating the matter.

Mr. Speaker, the old model of arbitration, which says to the taxpayers of the province, you will have no say through the government that you have elected, is old think. This government will not be held hostage to that process.

**Mr. Ashton:** I once thought we could trust the word of this House leader.

I ask this House leader: Why was he not telling the truth when he said that final offer selection would not be repealed? Why is he now saying to people such as the casino workers and the operating engineers who are on strike for two months, who played by the rules—are now finding the rules are



being changed arbitrarily by government fiat by this government, by the bill introduced yesterday?

**Mr. Manness:** Mr. Speaker, again I reiterate to the member, government had to make a decision. It had to make a decision based on the knowledge of the awards that were coming down when the arbitrator had obviously rejected totally the ability of the government, i.e., the taxpayer to pay the bills, so a decision had to be made.

It is not an easy decision to make, and it is not one that we took any satisfaction in making. The decision had to be made as between letting the deficits soar which meant, of course, purely major tax increase or, secondly, throwing hundreds of people out of work out of the Civil Service if indeed the MGEA was successful in receiving an award at the rate or above the rate of inflation.

Mr. Speaker, I remind the member opposite that a 1 percent increase on the Civil Service bill represents \$6 million, 1 percent increase, so obviously a 5 percent or 6 percent increase would have meant a 35 percent to 40 percent increase in the deficit and therefore the imposition of additional taxes on the people of Manitoba. That is not warranted.

**Mr. Ashton:** This government had a choice. It did not have to bring in the Rotary Pines, the funding for private schools, the tax break for corporations. Instead, it is hitting 48,000 working Manitobans and, at the same time, giving \$20,000 increases to the head of MTS.

### BILL 70 No-Layoff Clause

**Mr. Steve Ashton (Thompson):** I want to ask the minister, if once again his word is to mean anything, how he, as of yesterday, can say that this bill was designed to avoid layoffs? One thing this bill does is specifically exclude the clause in the MGEA agreement which provided a no-layoff clause. How can this minister have any credibility when he lays off a thousand positions and then specifically excludes the no-layoff protection in the agreement in this bill? How can he have any credibility left as a Finance Minister or a House leader?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I ask the member why he does not present that very same question to Mr. Olfert? Why is it he did not encourage Mr. Olfert to provide our offer, our May 9 offer, to the 19,000 members of the Government Employees' Association and give them

a chance, by way of the ballot box, to answer that question? Why does he ask me that question?

We implored, Mr. Speaker, the leadership of the Government Employees' Association to provide our offer to their membership and let them, by way of the ballot box, cast judgment upon our offer, so I think he puts the question, quite honestly, to the wrong person.

### High School Bursary Program Reinstatement

**Mr. Dave Chomlak (Kildonan):** Mr. Speaker, what this government has done to the High School Bursary program and the reduction in student social allowance is not fair nor does it make education sense. The minister justifies these cuts on the basis that students pay no tuition fees, but adult students at the Winnipeg Adult Education Centre do pay tuition fees. He also justifies that because he says alternatives are available, but he knows those alternatives have been cut.

Will he reverse his decision to cut the High School Bursary program at least for the adult high school students?

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Speaker, we did go through this series of questions yesterday, but I am prepared to answer the same questions again to the member for Kildonan.

I indicated very clearly that none of these decisions were easy ones for government at this time. Indeed, through the budgetary process, we were forced to make some decisions that were not popular and were not easy ones.

I must indicate that students who are attending adult basic education at the community colleges did not have their bursary programs cut. Those students will continue to be covered through bursaries for such costs as their tuition cost, their book costs, their supplies and transportation. Students at the Winnipeg Adult Education Centre can access the student allowance benefits to ensure that their living allowances and that sort of thing are looked after while they attend school. In that way, students still have the ability to access some funding to assist them through their educational process.

**Mr. Chomlak:** My supplementary is to the same minister.

Mr. Speaker, is the minister aware—and I spoke with some students this morning—that these

cutbacks, the High School Bursary program and social assistance, can amount to \$1,200 per year per student? These are students who are attending school full time and are on the very lowest end of the income scale. Is the minister aware of that?

**Mr. Derkach:** Mr. Speaker, the Adult High School Bursary program amounted to some \$500 per student per year. Where there are students coming into the Adult Education Centre from outside of the school division, the maximum bursary could be something like \$900. As I indicated, these were not easy decisions to make, but there are alternatives where students can look at the social assistance benefit program to assist them with their financial needs for the year.

**Mr. Chomiak:** Mr. Speaker, his fellow ministers cut that very program he is talking about.

My final supplementary, I will make a suggestion to the minister. The increase in grant to two private schools in the city of Winnipeg this year alone would cover the adult portion of the Adult High School Bursary program. Will he consider that half-million-dollar grant to those two schools and allocate it to the adult students who require that funding?

\* (1410)

**Mr. Derkach:** Mr. Speaker, that is an interesting question, because I would like to know which independent school, perhaps which religious school, would the member for Kildonan like to see closed so we can substitute that money into the adult bursary program? I am not sure which school he would like to close. Is it St. Paul's? I am not sure.

As I indicated, none of these decisions were easy ones to make. The social assistance benefit program is still in place, and students can access money through that program to assist them in their educational needs at the Winnipeg Adult Basic Education Centre.

### **Stonewall, Manitoba PCB Levels**

**Mr. Paul Edwards (St. James):** Mr. Speaker, my question is for the Minister of Environment.

Soil testing at the site of the new Stonewall Hospital has revealed PCB levels of 500 parts per million or 100 times acceptable levels. Apparently, the site was contaminated over years of using PCB laden oil given to the operators of the golf course at

the time to oil sand greens. The golf course was closed back in 1965. Unfortunately, two seniors complexes and a third housing complex have already been allowed to be built on this contaminated soil without any cleanup. One of them was opened just two years ago, the Lions Manor.

My question for the minister is: When land was excavated for Lions Manor two years ago, what testing was done on the soil which might have saved the cleanup expense now, and what testing is being done now to ensure there is no soil seepage which would contaminate the water supply in the Stonewall area?

**Hon. Glen Cummings (Minister of Environment):** Yes, Mr. Speaker, there have been a number of actions that have been instigated as a result of the discovery of PCBs in this area. The department and the council of the area have worked rather closely in recent days, and a consulting firm has been brought in in order to prepare a survey and provide specific information on the site. We believe we have the problem well in hand.

**Mr. Edwards:** Mr. Speaker, my question for the minister again.

Why was the contaminated soil not detected two years ago when Lions Manor was built, and what is going to be done with respect to the three existing housing complexes on the site? Have there been any tests done, and will they be done to determine whether or not there is contamination which affects the residents of those buildings?

**Mr. Cummings:** Mr. Speaker, the preliminary testing, some 10 samples, have been taken. One location showed an exceptionally high reading, certainly not all of them, but certainly that is enough to raise questions and concerns. We are addressing all of the sites to make sure that there is no cause for concern. I would like to assure the member that we believe the contamination is not widespread, but we are undertaking tests to make sure there is no ground water included in any possible pollution.

### **Manitoba Hydro PCB Cleanup**

**Mr. Paul Edwards (St. James):** Finally, for the minister responsible for Hydro.

Will Hydro be paying or contributing to the soil testing and cleanup of the PCBs, given that the soil

was originally given to the community without them knowing that it was PCB laden? In addition, will Hydro be tracing all of the similar sites around the province where they gave oil that would be PCB laden, which would now be contaminating soil?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, as I indicated earlier, we have taken some 10 preliminary samples, only one of which showed a high concentration. When we have a better view of what other possible contamination there is in the area, then we will be able to undertake a cleanup, and at that time, I think that question would be appropriate.

### Final Offer Selection Minister's Position

**Ms. Judy Wasylycia-Lels (St. Johns):** It is hard today to have a reasoned debate considering that we appear to be dealing with one big lie. This wage freeze legislation has to be—

### Point of Order

**Hon. James McCrae (Acting Government House Leader):** The word just uttered by the honourable member was used earlier in the day and withdrawn by the person who used it, and I think perhaps honourable members opposite ought to be asked to withdraw such language and maybe watch their language for the rest of the Question Period.

**Mr. Speaker:** On the point of order raised, I would remind the honourable acting government House leader that the honourable member's question was not specific. I believe she was just targeting her outlook. The acting government House leader does not have a point of order.

\* \* \*

**Ms. Wasylycia-Lels:** Mr. Speaker, this legislation introduced by this government yesterday has to be one of the most insidious, regressive, undemocratic pieces of legislation or actions of any government in the history of this province and, for that matter, of this country. It agrees to extend the date for final offer selection, and then it turns around and circumvents the whole decision by this piece of legislation.

I want to ask the Minister of Health, since he is anxious to jump in on this issue—he said publicly in February of this year, when operating engineers opted for final offer selection, that this government

would live up to final offer selection. Is this same minister now saying that he is prepared to break his word, show that he is not prepared to keep faith with the health workers of this province and say that it does not matter what the selector says on Thursday of this week?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, all during the month of January and past, when the International Union of Operating Engineers walked the picket lines attempting to get a wage settlement that they thought was beneficial, we maintained the position of trying to protect the taxpayers of Manitoba, because there are some half million taxpayers of Manitoba who are out there now watching the NDP and the Liberals join together to protect the salaries and increase the salaries of some 48,000 public servants.

We will continue to protect the taxpayers of Manitoba because we offered—and the operating engineers who were on strike would be a vast amount further ahead had they accepted our offer in December of last year and not ever gone on strike. That is the position that we are putting forward to protect the taxpayers of Manitoba so that we have dollars to continue to provide essential health care services that my honourable friend from time to time says we need more of. We cannot provide those essential health care services if we accede to the demands of the New Democrats and Liberals to pay every civil servant in Manitoba a lot more money for doing the same job.

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

### Introduction of Guests

**Mr. Speaker:** Prior to my giving a ruling to the House, I would like to draw the attention of all the members to the gallery, where we have with us this afternoon 16 students from the Nellie McClung Collegiate in Manitou. They are under the direction of Mrs. Mueller and Mrs. Mitchell. This school is located in the constituency of the honourable Minister of Health (Mr. Orchard).

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

### Speaker's Ruling

**Mr. Speaker:** On Tuesday, May 28, 1991, during debate on an amendment to a private member's resolution, I took under advisement a point of order raised by the honourable member for St. Norbert

(Mr. Laurendeau) wherein he alleged that the honourable member for Brandon East (Mr. Leonard Evans) had reflected on a ruling of the Chair.

A review of the Hansard reveals that the member for Brandon East stated, "... this amendment totally destroys the intent of the resolution, and I am surprised that it was not ruled out of order because it ignores the problem that exists."

Citation 71.(1) of Beauchesne, 6th Edition, indicates that "the Speaker should be protected against reflections on his or her actions." If the honourable member for Brandon East had wished to dispute the admissibility of the amendment in question, the proper time to have done this, as I am sure he knows, was when I ruled it in order.

I believe this would be an appropriate time to draw to the attention of members the practices of this House which are backed by Beauchesne citations regarding admissibility of amendments to private members' resolutions.

Citation 567 of Beauchesne's says: "The object of an amendment may be either to modify a question in such a way as to increase its acceptability or to present to the House a different proposition as an alternative to the original question."

\* (1420)

Citation 572 states in part: "An amendment to alter the main question, by substituting a proposition with the opposite conclusion, may be moved."

As to the question of the alleged reflection on the Chair, I do not believe it was the intention of the honourable member for Brandon East to reflect on the ruling of the Chair, but I would ask him and all honourable members to be careful in the choice of their words.

### Nonpolitical Statement

**Mr. Jack Reimer (Niakwa):** Mr. Speaker, may I have leave to make a nonpolitical statement?

**Mr. Speaker:** Does the honourable member for Niakwa have leave to make a nonpolitical statement? Leave? Agreed.

**Mr. Reimer:** Each year, Manitobans show their generosity to others in countless ways. We are above average in the giving of our time and our money to help worthwhile causes. In addition, each year Manitoba's thousands of home gardeners plant potatoes, tomatoes, carrots and other fruits and vegetables. We may not think that both of these

thoughts are related, Mr. Speaker, but I assure you they are.

Mr. Speaker, 1991 marks the fifth year of the Grow a Row program in Winnipeg. Knowing that the average gardener has a tendency to overproduce somewhat, in 1987 Eunice and Ron O'Donovan initiated Grow a Row to gather unwanted produce and offer it to those in need.

Over the past four years, over 1,000 gardeners produced over 400,000 pounds of produce to help feed needy Manitobans. Winnipeg Harvest distributes the excess produce to those who need it most. As the program got off the ground, gardeners were invited to earmark a row or two of any root crop for the program.

This worthwhile program extends beyond the perimeter now, with gardens in Altona, Carman, Dugald and other participating areas. This year, the goal is to have 2,000 gardeners participate in the Grow a Row program.

Mr. Speaker, the Grow a Row program has demonstrated that even a little can help. I encourage all Manitoba gardeners and farmers in this Legislature to plant an extra row or two for the Grow a Row program. I also encourage Manitobans to discover Grow a Row when they have too much fruit or vegetables. Whether it is rhubarb or rutabagas, plums to potatoes, Winnipeg Harvest can make use of your excess harvest.

I would also like to commend the Manitoba media for assisting in publicizing this worthwhile program and, finally, I would like to commend the O'Donovans for their volunteer efforts as a fifth year of Grow a Row gets into high gear.

### ORDERS OF THE DAY

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I wonder if there is a disposition to waive private members' hour?

**Mr. Speaker:** Is it the will of the House to waive private members' hour? Leave? No. There is no leave.

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

**Motion agreed to,** and the House resolved itself into a committee to consider of the Supply to be

granted to Her Majesty with the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Housing; and the honourable member for Seine River (Mrs. Dacquay) in the Chair for the Department of Natural Resources.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY—HOUSING

**Mr. Deputy Chairman (Marcel Laurendeau):** Order, please. Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply, meeting in Room 255, will resume consideration of the Estimates of Housing.

When the committee last sat, it had been considering item 3.(c)(1) Delivery Services on page 101 of the Estimates book and on pages 35, 36 and 37 of the Supplementary Information book. Shall the item pass? The item is accordingly passed; 3.(c)(2) Other Expenditures \$114,000—pass; 3.(d) Client Services 3.(d)(1) Salaries \$981,900—pass.

Item 3.(d)(2) Other Expenditures \$233,900.

**Mr. Doug Martindale (Burrows):** We are on 3.(d) now, Mr. Deputy Chairperson?

**Mr. Deputy Chairman:** Item 3.(d)(2) Other Expenditures.

**Mr. Martindale:** I would like to ask just a few questions on the SAFER program. I have had people who are beneficiaries of the shelter allowance for elderly renters contact me. They have explained to me, and I guess I need to ask the minister if this is correct, that the benefits are increased on January 1, 1991.

However, in July every year it is claimed that their OAS and GIS benefits from the federal government go up because they are indexed annually. The result is that their SAFER benefit is then cut back, I assume because it is an income-tested program. So if their income goes up from other sources, their benefit goes down. Could I, first of all, ask the minister if that is correct?

\* (1440)

**Hon. Jim Ernst (Minister of Housing):** Essentially the member is correct. On January 1, the supplement benefit is annually indexed to coincide with the rent regulation increases that occur on that year. About July of each year, the program is income-tested as the member indicates. The fact of the matter is that people's incomes are tested based at that point in the year, and their assistance can

either go up or down dependent upon their income at that particular time.

**Mr. Martindale:** Can the minister confirm then that SAFER is not indexed to inflation and that there is no set formula, that increases are at the discretion of the government?

**Mr. Ernst:** Mr. Deputy Chairman, as I have had it explained to me, what happens is that there is an amount calculated known as the maximum claimable rent. That is adjusted on an annual basis, generally speaking, in terms of the amount of increase related to the rent guidelines that occur on an annual basis. If their actual rent is less than that, then it is based on an actual amount. If it is more than that, then the supplement is calculated accordingly.

**Mr. Martindale:** That means that the maximum claimable rent is increased by, say 4 percent for 1991, the same as the rent guideline.

**Mr. Ernst:** Yes, that is basically correct.

**Mr. Martindale:** Would the minister consider this to be the same as indexing the SAFER benefit, or not?

**Mr. Ernst:** Could I ask the member what he refers to then as indexing?

**Mr. Martindale:** I think the people who contacted me think that probably it should go up by, say, the consumer price index. That is I think usually what is considered indexing. On this particular case, because it is tied to rent, I can see that could be problematic.

**Mr. Ernst:** In effect what happens is that by virtue of the application of this formula that is in place, it goes up by the shelter component of the consumer price index, by and large. Now there will be circumstances, I suppose, that do not ultimately meet that test. I think in the largest part, it would reflect the increase in cost related to the housing shelter component of the consumer price index.

**Mr. Martindale:** That is all for now, I think.

**Mr. Kevin Lamoureux (Inkster):** Mr. Deputy Chairperson, as I stated at the onset of my opening remarks, there were a number of questions I wanted to pursue in regard to the SAFER and the SAFFR programs. The first of the questions that I would ask, Mr. Deputy Chairperson, is: How are the two programs promoted from within to the public?

**Mr. Ernst:** Mr. Deputy Chairman, what happens is literature is prepared with respect to each of these programs. That literature is widely disseminated

through housing authority offices, our offices, social service agencies, a variety of public types of offices and so on, where that information, both descriptive and application forms, are available. Any inquiries that come to the department or to the government with regard to those are referred to that program and information is provided.

\* (1450)

**Mr. Lamoureux:** Does the government have any idea in terms of how many seniors are eligible for this particular program that are not in fact applying for the program?

**Mr. Ernst:** Mr. Deputy Chairman, we do not have any detailed analysis of current date that would be relevant. So I have to indicate, no, we do not know.

**Mr. Lamoureux:** Is the department aware of any studies that have gone on over at the University of Winnipeg Institute of Urban Studies? I can recall reading something that came across my desk, probably getting closer to a year ago, so you will have to forgive me for not knowing the exact numbers, but they had made reference to the number of seniors who are eligible. I will stick with the seniors aspect of the two shelter programs. They had made reference to the fact that not too many seniors were, in fact, aware of the program. Is the department aware of that study that came out of the Institute of Urban Studies?

**Mr. Ernst:** Not specifically, Mr. Deputy Chairman, as far as I and the senior staff who are here are aware. We can look into it and see if there is, in fact, a report somewhere, but we do not have knowledge of it at the moment.

**Mr. Lamoureux:** I believe it was Tom Carter who actually did the report, or at least he was responsible for it. I do not know if he was the actual editor. It was a fairly extensive survey done from what I understand, and a very high percentage, as I say, of seniors who were able to apply for the program but were just not aware of the program's existence. My question to the minister is, why the decrease in commitment to that particular program?

**Mr. Ernst:** We printed in the Estimates last year, 1990-91, a \$5 million figure. Actual expenditures under that program were \$4,556,600. Again, in these kinds of cases, budgeting is a best estimates guess, if you will, as to what kind of take-up will be under the program and how much will have to be expended, so in fact, we underexpended by about half a million dollars. Our '92 estimate now is at

\$4.86 million to provide about a 6.7 percent increase over actual expenditures in 1990-91.

**Mr. Lamoureux:** Mr. Deputy Chairperson, last year we had a commitment from the government to index the two programs. Was that taking into account for the projected budget? Was that indexing implemented fully?

**Mr. Ernst:** Yes, Mr. Deputy Chairman.

**Mr. Lamoureux:** What I am trying to demonstrate to the minister is, in fact, that the demand for the program would be very high if seniors knew about the program. I believe that is really the essence of the report that was submitted by the Institute of Urban Studies, that many seniors who would be able to apply for this program were not aware of the program.

I am questioning in terms of what the government's commitment is to the program. Are they interested in expanding in more seniors who are eligible for the program to receive these benefits? I am interested in hearing what the minister would have to say. Do they feel that the program should be promoted more?

**Mr. Ernst:** We provide information on the program throughout a number of locales that I have indicated just in the past few minutes in questioning. In terms of the study and the needs as articulated by the member for Inkster, I indicated also that I am prepared to see if we can locate that study and find out exactly what the ramifications or indications of that study are, and then we will address that accordingly.

**Mr. Lamoureux:** I am not wanting to debate this too much further at length because I know that there is a lot of interest to get into the whole Pines issue. So on recognizing what the minister has said, I will wait with some anticipation in terms of what he might be able to supply the Liberal Party or both opposition parties in regard to the whole question of the SAFER and SAFFR programs and to reinforce what the government's position is on these two programs. So on that note, we can pass the line.

**Mr. Deputy Chairman:** Appropriation 3.(d)(2) Other Expenditures \$223,900—pass; 3.(e) Grants and Subsidies \$6,829,800—pass.

Resolution 84: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,083,400 for Housing for the fiscal year ending the 31st day of March, 1992—pass.

Item 4. Transfer Payments to the Manitoba Housing and Renewal Corporation \$33,787,800.

**Mr. Martindale:** Mr. Deputy Chairperson, I would like to spend just a few minutes on the Co-op HomeStart further complementary assistance. I believe that yesterday we found out that the Co-op HomeStart Program has been eliminated as of this budget, so I have a number of questions about that.

As the minister knows, we in our party are on record as being strong supporters of all kinds of co-ops. The New Democratic Party introduced the Co-op HomeStart Program. I believe it was quite complementary to what the three levels of government were trying to do under Core Area Initiative, because this particular program was for the conversion of existing buildings into co-ops and so since many of these were in the inner city, it kept people in the inner city of Winnipeg or it encouraged more people to live downtown in Winnipeg.

I was told during the last session that an evaluation was done of the Co-op HomeStart Program. I am wondering if the minister is going to table that evaluation.

**Mr. Ernst:** Mr. Deputy Chairman, I am advised that at the present time, all of the field work for the analysis of the Co-op HomeStart Program has been done, but the final report is not yet completed. It is unlikely, given the time constraints related to the current staff, that it will be completed before several months yet anyway—before it will ultimately be completed. So I cannot table it. I do not have it.

**Mr. Martindale:** I was told by the previous minister that the evaluation would be completed in June. Now we hear that it will be several months.

I am wondering how you could make a decision to terminate a program before you receive the evaluation.

\* (1500)

**Mr. Ernst:** Mr. Deputy Chairman, in a number of types of programs and so on it could be paused, if you will, and not funded in any given year and can be reconsidered in a following budget year. Because something is not funded in one particular year, it does not mean it is forever gone. If the ultimate evaluation proved to be highly successful, then we may well consider it in another year. The question of co-op housing per se is, of course, not dead. It is available under the existing nonprofit housing programs. This particular one has been paused at least for this year. The report had been

originally anticipated to be completed by June. Unfortunately, given the pause of the funding process and the budgetary process that went along, the priority has lessened in terms of the department. So we anticipate having it completed some time later this year.

**Mr. Martindale:** The minister is certainly right about this one. There has been a pause of two years. There have been no new units built for the last two years, as far as I know, under Co-op HomeStart. I guess I am a pessimist on this. I think that if this program is killed, that it would be extremely difficult to get it started up again, even if there was a positive evaluation.

Would the minister be willing to give the opposition critic and myself a copy of the evaluation once it has been completed?

**Mr. Ernst:** I see no problem in that, Mr. Deputy Chairman.

**Mr. Martindale:** Mr. Deputy Chairman, I understand that the federal government unit allocation for co-ops has been announced. I think it is 1,500 units for all of Canada, and that there is a change in that there will be income ceilings on people who live in federally financed, or partly federally financed, housing co-ops. First of all, is that correct? Is that a new policy of the federal government?

**Mr. Ernst:** Yes, Mr. Deputy Chairman, it is.

**Mr. Martindale:** Did Manitoba Housing staff have discussions with CMHC or federal officials about this new policy?

**Mr. Ernst:** I can indicate, Mr. Deputy Chairman, that this is a unilateral CMHC position. CMHC delivers the program directly. We participate in terms of 25 percent subsidy in the rent supplement unit basis between income level and market.

**Mr. Martindale:** Mr. Deputy Chairperson, I believe that one of the best aspects of housing co-ops is that there is a mixture of incomes. In some co-ops that includes people with higher than average income, but not in all co-ops, and usually not very many people. The fact that the incomes are mixed means that people who live in co-ops are not stigmatized, and it is one of the best features of housing co-ops.

I would be interested in knowing what this minister's position is on the income ceiling. Since, I presume, Manitoba Housing is still sharing some of the subsidy costs, as the minister indicated, do

you have a concern about this new policy? If so, what would it be? Would you be willing to express any disagreement with this new policy to CMHC?

**Mr. Ernst:** I guess ultimately it really does not matter how much we want to object or not object. It is a unilateral CMHC program. It is my understanding, and we are not exactly sure of the numbers, but it seems to the staff, at least, that the income change was from sort of open to everybody to what CMHC is referring to as moderate income levels. We think those numbers range somewhere between \$40,000 and \$60,000 a year, so that would likely accommodate most people in our society who would be attracted to this kind of housing situation. It may not obviously collect everybody, but certainly it is significantly above what is normally considered as low income.

**Mr. Martindale:** Mr. Deputy Chairperson, I would like to move on now to loan forgiveness unless anybody else has questions on co-ops.

Could the minister indicate for me what the expenditure of \$357,700 is for?

**Mr. Ernst:** The loan forgiveness portion of the Seniors RentalStart Program.

**Mr. Martindale:** Would that be for the Rotary Pines project or for all Seniors RentalStart projects? If it is for more than just Rotary Pines, perhaps the minister could name the projects that it is going to, please.

**Mr. Ernst:** It is for the Rotary Pines project, Mr. Deputy Chairman.

**Mr. Martindale:** I would like to go over some of the statements that the minister made in Question Period in order to clarify and expand on some of them. In fact, I found some excellent things on the record that I would like to repeat, things on which I agree 100 percent with the minister.

For example, on April 30, '91, the Minister of Housing said, ". . . we have a need in government, we have a need as politicians in our society to meet the needs of all of the citizens of our community . . . . We have a need to address the needs of all of the citizens of our society. We are not here just to deal with one segment of society. We are here to deal with everyone. All of them are taxpayers in this province, and all of them deserve the attention of government the same as any one particular segment in our society."

Does the minister still stand behind these comments?

**Mr. Ernst:** Yes.

**Mr. Martindale:** Could your remarks be interpreted to mean that taxpayers in Neepawa, taxpayers in Flin Flon, taxpayers in Transcona, taxpayers in Roblin, taxpayers in Carman, taxpayers in Pilot Mound, and many other centres should all be given the same consideration?

**Mr. Ernst:** Yes, Mr. Deputy Chairman.

**Mr. Martindale:** Does it mean that their needs should be dealt with fairly? Does this mean that since all of them are taxpayers and since all of them have needs that, if citizens in these communities have Seniors RentalStart applications, they should be treated the same? That is, they should all be given an equal and fair opportunity to apply for the funding that is there?

**Mr. Ernst:** Yes, Mr. Deputy Chairman.

**Mr. Martindale:** On May 8, 1991, the minister said in Question Period: "I will be pleased to advise him where all these projects were built, the distribution around the province, so that we tried to accommodate as many people as we can."

Can the minister expand for us on the meaning of "accommodate as many people as we can"?

**Mr. Ernst:** I can indicate, Mr. Deputy Chairman, that the Seniors RentalStart projects approved in 1988-89 were: the St. Mary Protectress Villa on Burrows Avenue, St. Michael's Villa in Transcona, Stonewall & District Lions, Gladstone Legion Seniors, the Prairie Rose project in Landmark and the Winkler Home for the Aged.

\* (1510)

The Seniors RentalStart project approved in '89-90 was the St. George's Ukrainian home in Dauphin. In addition, there were five other projects that were approved by Treasury Board for potential commitment but were unable to meet mortgage conditions and were declined or withdrawn. Those include: the Charleswood-Tuxedo Lions, the Donwood West, the Fred Douglas Manor North, the Minnedosa Rotary Manor and the Winnipeg Chinatown project.

Then, of course, Seniors RentalStart projects approved in '90-91 were the Niverville Seniors and the Rotary Pines projects.

**Mr. Martindale:** Thank you. I would like to clarify then some of the remarks made by the Premier (Mr.



Filmon) who said that there had been a number of applications approved in the last six months, I believe he said. He included in that: Niverville, Dauphin, Transcona and St. James. That was on May 3 in Question Period.

The minister has just said that Dauphin was approved in '89-90, so Dauphin was not approved in the last six months.

**Mr. Ernst:** I should again advise the member for Burrows with regard to this particular program. There are three phases of this program: PDF funding I, the initial start up; PDF funding II, basically you are proceeding toward final commitment; and then, ultimately, final commitment. So while initial approval was undertaken in '89-90, in fact it was in the late fall of 1990 or early winter of 1990 that Dauphin finally met all of the criteria. That is basically 90 percent of units approved and funded. The final letter of commitment was given with respect to that project. So I can indicate that the Premier's suggestion, within the last several months, would have been reasonable.

**Mr. MartIndale:** I think I will stick with the minister's original list of '88-89. I think the Premier might have made a slight error as well with Transcona. I understand that theirs opened in September 1990. Is that correct?

**Mr. Ernst:** It was the fall of 1990; the exact date we do not have here.

**Mr. MartIndale:** So on that list that I quoted the Premier on—Dauphin, Niverville, Transcona, St. James—we are left with Niverville and Rotary Pines.

Now, my understanding is that Niverville does not really fall under Seniors RentalStart. They applied under Seniors RentalStart and the staff suggested that they try to do something different. In fact, I would like to come back to this later, because I think there is a change in policy. The policy change was originally identified in the Peat Marwick study.

What Niverville did was they did not get their mortgage money from MHRC. They got it from Niverville Credit Union. I have been told that they were given a grant of \$190,000 in lieu of going under Seniors RentalStart.

I would like to start by asking if those two facts are correct—well, I guess, three: one, that their mortgage is from Niverville Credit Union; secondly, that they got a grant of \$190,000 in lieu of going under the program; and three, that they are a pilot

project; they are different than the traditional way of doing Seniors RentalStart.

**Mr. Ernst:** I can indicate, Mr. Deputy Chairman, that the Niverville project has not been finalized as of yet. It is still subject to certain conditions. Final commitment has not yet been given and will not be given until such time as all of the conditions have been met. It is true that, in fact, the financing arrangements through the Niverville Credit Union formed part of the conditional approval that has been received up to this point.

With respect to the grant, while it is not technically falling directly under the Seniors RentalStart program, in fact, it is an equivalency of the normal 5 percent forgiveness portion of the Seniors RentalStart program. Ostensibly, the financing arrangement is different from the normal Seniors RentalStart program in the sense that it is a private lender as opposed to the government.

**Mr. MartIndale:** Well, I suggest that it is different. The Technical Resource Group thinks it is different. I have talked to a director of the seniors organization in Niverville who was very co-operative with information.

The Minister of Highways and Transportation (Mr. Driedger) in the House suggested that I should not lump Niverville in with Rotary Pines. I said that I had just learned that day when I was speaking that Niverville was different. I think Niverville is different. I think it is the first of a new kind of financing, basically community financing, in order to build a project similar to what was financed in the past by MHRC.

Now, if we are going to distinguish the differences between Niverville and the Rotary Pines, I think it would be helpful to know what their conditional approval included. I would like to ask the minister if he would table the letter to Niverville's seniors society specifying what the conditions were in their conditional approval of funding.

**Mr. Ernst:** Subject to the concurrence of the Niverville seniors group, yes, I will be prepared to provide that information.

**Mr. MartIndale:** I should probably say that I do not have any problem with either Niverville being approved or the change for groups that voluntarily want to go that route and are able to. I talked to someone in Roblin, Manitoba, today who said they were considering going to their credit union and getting similar kinds of financing.

They were trying to suggest to people in their community that this was an appropriate thing to do because some rural credit unions and banks have a lot of money—for example, people who are investing money in RRSPs—that normally this money would go to buy stocks and bonds or whatever, basically leaving the community to be invested elsewhere.

They thought that using money from their local credit union for mortgage financing and keeping it in the community was a good alternative, that they were providing housing in their community and keeping people in the community who might otherwise move elsewhere. If groups want to go that route, I do not have any problem with that. We have often, in Question Period, used Niverville as a good example because of the way they tendered their project, and I look forward to seeing their conditional approval letter if they approve.

\* (1520)

Since I am suggesting that these other groups were approved in a previous year and that Niverville is a different kind of financing, that only leaves one project and that is Rotary Pines. Would the minister agree that in this year there has only been one project approved for predevelopment funding, conditional approval, and that is Rotary Pines?

**Mr. Ernst:** Mr. Deputy Chairman, no, I do not and the member can, you know, make the differences with respect to Niverville if he wishes.

**Mr. Martindale:** Well, I guess we will not belabour that point. Last night the minister said that there were 22 other applications or that there were 22 applications under Seniors RentalStart and that all of these were asked or it was suggested to them they apply under the Private Non-Profit. They did and they were in a funding proposal that included, I think he said, 103 proposals.

Last night we asked who these applicants were and the minister agreed with the first one that I identified but after that would not verify what the others were. Now in Question Period, the last two or three times that I asked questions about Rotary Pines and the other projects, the minister said we will get into that in Estimates, and we will go over these things in detail in Estimates.

If we are going to look at fairness and look at viability, look at which projects are the best, if we are going to compare the applicants, then I think we need to know who they were so that we can ask

questions for comparison purposes. I would like to ask the minister again if he would table the list of the 22 organizations that applied under Seniors RentalStart.

I would repeat what my colleague from Transcona said last night and that is that the minister, if he did table the list, would not really be violating confidentiality in any way because the people in those local communities know that they have applied, especially in the small towns of rural Manitoba. They know what program they have applied under.

This morning I was talking to people in Carman and I had talked to them two or three weeks ago, and I had somebody from, I believe it was the legion, who was explaining to me that the Lions had applied under Seniors RentalStart. They are well acquainted with which program which groups in town have applied under.

I do not think that there would be any problem here with tabling the list or any problem in those small communities since many of them are community-based, nonprofit organizations, such as Elks, Rotary, Lions, Legion, et cetera.

I would ask once again if the minister would table the list of 22 applicants to Seniors RentalStart.

**Mr. Ernst:** Mr. Deputy Chairman, the Seniors RentalStart program has been terminated for '91-92, so there are no applicants for Seniors RentalStart because there is no Seniors RentalStart program.

What we had in the fall of 1990 was a proposal call under Private Non-Profit Housing Program. Those people who had interest, those people, in fact, who had been turned down under Seniors RentalStart in the past, those people who had offered or who had indicated to the department their interest in the Seniors RentalStart program were invited, at that time, by the then minister, to enter the Private Non-Profit Housing Program. Twenty-two people who had projects who had an interest at that time, one way or another—not all but most I think—submitted under the Private Non-Profit Housing Program.

The list under the Private Non-Profit Housing Program, which is the one that the member asked for last evening, I indicated I would be happy to table, pending the concurrence of the people who had submitted those projects. I agree that with some of

them, related to service clubs and so on, there is not a problem.

There are some, however, other types of projects, special needs projects, women's shelter projects, associated with that list which I am not interested in tabling unless I have the concurrence of those groups. We have had expressions in the past from those people.

I am advised that they would prefer to keep low profile, shall we say, their interest in particular kinds of projects, particularly the women's shelter projects and I respect that. If they do not have a problem, then I do not have a problem, as I indicated last night. We will be communicating with those people, asking them if, in fact, they are agreeable, and if they are, we are prepared to release the information.

**Mr. Martindale:** First of all, I think the fact that there is no program this year, since the budget, is a lame duck excuse. I was asking about the 22 groups that were redirected last September into the proposal call for the Private Non-Profit.

Secondly, the women's groups is a red herring. We are not asking for those kinds of names. We agree with the minister that it is not in their interests to have their applications made public. What we are asking for is only the 22 Seniors RentalStart applicants who were redirected into the Private Non-Profit, not the whole 103, but the 22. I am quite sure that it does not include any women's shelters.

The minister said on May 9 in Question Period, that: "When you have the ability financially, fiscally to build four, five or six projects a year and you have applications in excess of a hundred per year—and that application list of a hundred is in a variety of stages of process."

I was really inquiring about Seniors RentalStart in my question, I believe, not about private nonprofit. Just for clarification, the minister acknowledges that there were two different programs at very different lengths of waiting lists. There were 22 that applied for seniors nonprofit, and eventually in private nonprofit there were, I think the minister said last night, 103. Is that correct?

**Mr. Ernst:** Including the 22, that is correct.

**Mr. Martindale:** On May 15, this year, the Minister of Housing said in Question Period: "Mr. Speaker, as well, what is in error is the fact that the program was not, as quoted in the recent newspaper article today, reactivated. It was never deactivated. I am advised by the staff of the department, because

these things predated my becoming the Minister of Housing on February 11, the budget for the department was approved in December by the House and, following that, the program was available within the department."

Does this mean that all of the applicants to Seniors RentalStart in 1990-91 were still valid applications during the 1991 budget year?

**Mr. Ernst:** Mr. Deputy Chairman, you have to understand again the process that is gone through with respect to a variety of Housing projects, either nonprofit or RentalStart or whatever. What you have is expressions of interest. You have discussions. You have considerations to go back and forth over a long period of time. Some happen relatively quickly. Others take two and three years and longer, and some never happen as a result of an inability to put together the project.

So the suggestion a moment ago that there were 22 applicants per se is not technically correct at all. There were 22 expressions of interest, some of which, in fact, had been turned down previously because of their inability to put together projects and had resubmitted under the private nonprofit program.

So it is difficult to say, at any given point in time, how many are truly going to be applicants and who are not. A good example of that is the question of the Charleswood-Tuxedo Lions Club and the fact that they initially started in, I think it was '89, with a 70-odd unit project for which they could only secure 18 tenants. They spent eight or nine months trying to market it on that basis, then came forward and were declined in March, I believe it was, of 1990. They continued to market on their own for another six- or seven-month period, came back for PDF funding again, indicating that they had reduced the size of the project from 70-odd units to 40-odd units and had managed to attract another, I think it was nine, applicants.

\* (1530)

Again, at that point after 16 months of marketing a project, attempting to put it together, having received, I think it was initially, PDF funding to get going, they were still only able to come up with about half of the required numbers of people. The expectation at the time, by the department and by the minister at that time, was the fact that they were not going to be able to put the project together and, as a result, it was declined. Those people again

then resubmitted—I am sorry, that particular one did not resubmit under the Private Non-Profit Program, but others of similar circumstance did.

**Mr. Martindale:** I am glad the minister brought up Charleswood-Tuxedo Lions, because I have talked to some of them. They are absolutely convinced that if they had been given the further \$20,000 funding, they would have been able to do the kind of marketing they needed to do and would have been able to fill the number of units that they had proposed to build.

They are very disappointed that they did not get that \$20,000. Then when they saw that Rotary Pines was approved—and to date we have seen no proof of the expressions of interest, and we will be asking about that later—they are very upset. They are still upset because they were convinced that they had the land, they had the zoning needed, they had 56 percent of the units committed, and with further funding for advertising, that they could have filled that building.

Were all of the 22 applicants that have been referred to, considered for predevelopment funding?

**Mr. Ernst:** Indications are, Mr. Deputy Chairman, as I said previously, that expressions of interest, contact with the department, letters of inquiry, or telephone calls with respect to particular information and so on, were in process in the department. No, not all made applications for PDF funding by any stretch of the imagination.

**Mr. Martindale:** On May 15 in the House, the minister said “it is a question of dealing with those individual applications and dealing with them on an appropriate basis until they reach a point where they can proceed to construction.” I would like to know how applications are normally dealt with.

**Mr. Ernst:** Mr. Deputy Chairman, again, as I indicated then, and I will indicate again, I think I indicated earlier this afternoon as well, that we have situations where there is discussion back and forth between interest groups, TRGs, a variety of discussions that take place back and forth. Some start off with PDF funding initially, the \$10,000 to put together their PDF I funding, the \$10,000 to put together their project. Others have their project put together and come in at a later time with formal applications. Again, it is a wide variety of differences. There is no set particular pattern. It is flexibility, I suppose, within the department to deal

with interest groups as they seek these kinds of projects.

**Mr. Martindale:** I am going to follow the process in some detail because I think it is particularly important in this case. Maybe we will start with the top and go down.

When the MHRC Board has capital authority to fund projects under certain programs such as Seniors RentalStart, I assume that it receives the capital authority in writing. Is that correct?

**Mr. Ernst:** The MHRC receives advice from Treasury Board as to its budgetary authority for any given year in accordance with the budget process.

**Mr. Martindale:** That advice from Treasury Board would be in writing?

**Mr. Ernst:** Yes.

**Mr. Martindale:** Would the minister table the document or documents giving MHRC capital authority for Seniors RentalStart?

**Mr. Ernst:** Mr. Deputy Chairman, it is done by Treasury Board minute. Those minutes are confidential.

**Mr. Martindale:** I believe the newspaper articles originally talking about Niverville and Rotary Pines mentioned a figure of \$10 million, approximately, for Seniors RentalStart. Could the minister tell us how much money was approved for Seniors RentalStart? Is that figure of \$10 million correct, or what was the exact figure?

**Mr. Ernst:** It was \$10 million, Mr. Deputy Chairman.

**Mr. Martindale:** Could the minister explain to me, once the MHRC board has the capital authority, in this case, for Seniors RentalStart, how are applications reviewed? What is the process by which funding is approved or turned down for Seniors RentalStart applicants?

**Mr. Ernst:** Mr. Deputy Chairman, what happens when the staff are of the opinion that a given project is ready to proceed is that application for PDF I funding is advanced to the MHRC board. MHRC board considers that and, if it recommends approval, it recommends it to Treasury Board.

**Mr. Martindale:** Would the minister table all the minutes of MHRC meetings at which Seniors RentalStart applications were considered or approved in 1990-91?

**Mr. Ernst:** I am advised, Mr. Deputy Chairman, that MHRC board minutes are privileged information, and I will not table them.

**Mr. Martindale:** Would those minutes be available under access-to-information legislation?

**Mr. Ernst:** I am advised not.

**Mr. Martindale:** Are all the applications under Seniors RentalStart taken to a committee where they are viewed or previewed before they go to MHRC Board?

**Mr. Ernst:** I am advised, Mr. Deputy Chairman, that there is a staff review committee who deals with these applications prior to their appearing at MHRC Board.

**Mr. Martindale:** So the applications are received in the department and they go to a staff review committee. Would it be the normal practice that all of the applications are reviewed by the staff review committee?

\* (1540)

**Mr. Ernst:** When the staff of the Seniors RentalStart program deem these projects ready to proceed, they would go from the staff of the department to the staff review committee on to MHRC board.

**Mr. Martindale:** In 1991, from January to the end of March, how many Seniors RentalStart applications were reviewed by the staff review committee?

**Mr. Ernst:** Two, Mr. Deputy Chairman.

**Mr. Martindale:** Mr. Deputy Chairperson, now we are getting down to the meat of this. We were told there were 22 applications last year. The minister is on record as saying there were 22 applications last year. Now we find out—

**Mr. Deputy Chairman:** Order, please. The honourable minister, is that on a point of order?

### Point of Order

**Mr. Ernst:** Mr. Deputy Chairman, on a point of order, the member is putting misinformation on the record. I did not say there were 22 applicants for Seniors RentalStart in the past year. I said there were 22 projects that had expressions of interest with regard to the particular housing programs. A number of those made application under the private nonprofit housing program. The member continually puts on the record that there were 22 applicants. There were not 22 applicants.

**Mr. Deputy Chairman:** Order, please. The honourable minister does not have a point of order. It was a dispute over the facts.

\* \* \*

**Mr. Martindale:** I do not think it really matters whether we call it 22 applicants or 22 expressions of interest. I would be willing to use the minister's words, 22 expressions of interest. Out of the 22 expressions of interest last year, two made it to the staff review committee in 1991. We know that one of them was Rotary Pines. I am fairly confident I know the name of the second one, but I would like the minister to put on the record the name of the second applicant.

**Mr. Ernst:** I believe it was the Carman Lions Club.

**Mr. Martindale:** Mr. Deputy Chairperson, out of all the expressions of interest—and these groups, I believe, would have still liked to have gotten funding from the Seniors RentalStart in 1991, if they knew the money was available. If the staff had approached them and said the money is available, they would have said, we are in, we want to be considered.

I have two related questions. The first one is: Did the staff contact the groups and tell them that the money was there after all because interest rates had gone down and, whereas last year it did not seem that the money would be there, in 1991 the money was there? Did staff go back to the technical resource groups or to the original nonprofit sponsors, and tell them that they were going to be reconsidered if they wished?

**Mr. Ernst:** No, Mr. Deputy Chairman.

**Mr. Martindale:** Why were they not recontacted, and who made that decision?

**Mr. Ernst:** Mr. Deputy Chairman, I am advised that over the intervening period, between time of budget approval and the late winter, I guess, discussions were underway with a number of these particular projects related to different methods of accomplishing their objective, that is to provide seniors housing.

Discussions at the same time were ongoing with Credit Union Central for instance to determine if Credit Union Central would be interested in a financing package for a variety of these kinds of projects.

Discussions were ongoing with those particular groups and that was the—with the success of

Niverville, discussions were ongoing with respect to those people and discussions were in fact undertaken with them.

**Mr. Martindale:** With all due respect, Mr. Minister, I think that answer is totally unacceptable. I would like to ask again, why did staff not contact the 22 expressions of interest, as the minister likes to call them? Who made the decision that they would not be contacted?

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

**Mr. Ernst:** Well, Mr. Acting Chairman, we have changed—it is difficult to know because I was not the minister for all of that period of time having come there only on the 11th of February. Notwithstanding the fact that a number of different options were being pursued by the department at that time, notwithstanding the budgetary authority provided, and we are attempting to look at the ways and means of accomplishing those objectives through different means. That is the answer I have to provide to him, Mr. Acting Chairman.

**Mr. Martindale:** Well, I think it is absolutely appalling that these 22 groups were not recontacted. They were not told that money was available, and ultimately, the minister is responsible.

In the past, he has blamed his staff for some mistakes that were made. I have some comments from Hansard, the comments the minister made about problems internally in the department regarding review of programs, which we will get into later.

You are ultimately responsible for the decisions made in your department, and I know that those groups out there, especially in rural Manitoba that I have spoken to, are very critical, they are very disappointed that they were not given the opportunity. When they saw that Rotary Pines was chosen and now they know that there were 22 applicants, they are very suspicious as to how the decision was made. We have on the record that only two groups were brought forward for funding approval.

Now I am going to turn it over to the Liberal representatives and come back to Seniors RentalStart and Rotary Pines later.

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Acting Chairperson, I would like to begin with a definition by this department of what is an expression of interest. I mean I do know what

an application is and what a completed application is, but I do not know what an expression of interest is. Can the minister tell us how his staff defines an expression of interest?

\* (1550)

**Mr. Ernst:** Mr. Acting Chairman, you have to understand, I suppose, initially that many of these groups are not particularly sophisticated when it comes to the development of housing projects, many of the nonprofit groups, but we have expressions of interest by writing, by people coming in person, by telephone conversations, by contact with technical resource groups, a wide variety of ways of initiating discussion with the department.

**Mrs. Carstairs:** Mr. Acting Chairperson, at what point, however, would the application process be considered to be a legitimate application process? I mean there must be some point in the stage of the department where someone in the department says, this is now a bona fide application and will be considered such and will be, therefore, sent on to the technical committee.

**Mr. Ernst:** Mr. Acting Chairman, when the applicant is able to put together appropriate information they will be required ultimately to file a formal application.

**Mrs. Carstairs:** At what point did the department consider the Rotary Pines application to be a bona fide application for RentalStart?

**Mr. Ernst:** With the filing, I am advised, of the application for PDF I funding.

**Mrs. Carstairs:** When was that exact date?

**Mr. Ernst:** I believe the application is dated February 11, 1991.

**Mrs. Carstairs:** On February 11, 1991, how many other applications were accepted as bona fide in the RentalStart program?

**Mr. Ernst:** Indications are approximately eight or nine. We are not 100 percent sure on one.

**Mrs. Carstairs:** Were all eight or nine applications that were bona fide by February 11, 1991, put through the same sorts of tests by the technical advisory committee? If they were, will the minister tell us how they fared during that test process?

**Mr. Ernst:** I am advised, Mr. Acting Chairman, that program staff are working with those people with respect to a number of financing options for them and ways and means of accomplishing their objectives, so they had not, I gather, come before

the technical process to put it through to the Manitoba Housing board.

**Mrs. Carstairs:** I want to be clear. In the Appropriation 30-4, Loan Forgiveness, the \$357,700 is totally to be given to the Rotary Pines project. Is that correct?

**Mr. Ernst:** I believe that is the forgiveness amount associated with the Rotary Pines.

**Mrs. Carstairs:** Obviously it was determined that out of the eight or nine projects, all were ready and considered bona fide by February 11, 1991. Only Rotary Pines was considered appropriate or met the test criteria for Loan Forgiveness.

(Mr. Deputy Chairman in the Chair)

**Mr. Ernst:** Mr. Deputy Chairman, as I indicated earlier, a number of different options were being pursued with a number of these groups, including the option of potentially credit union financing through discussions with Credit Union Central. So some point in time the amount of \$357,000, deemed to be the sum required for Seniors RentalStart for the Pines, was put in the budget.

**Mrs. Carstairs:** Mr. Deputy Chairperson, obviously if it was considered that there were eight or nine bona fide applications by February 11, 1991, which is exactly the same time that the budgetary decisions were being made leading up to April's budget, why was it that the Rotary Pines project was the only one that was determined in the test criteria by this government's department that it was the only one that would qualify for loan forgiveness in the 1991-92 fiscal year?

**Mr. Ernst:** I appreciate, Mr. Deputy Chairman, that the Seniors RentalStart program for '90-91 was effectively terminated at the end of that fiscal year with no new RentalStart program for '91-92. So projects in the works at that point, and again, knowing where we were at in terms of our budgetary process—and I remember the exact times, because Treasury Board was meeting over that period of time daily for hours on end to put together budget processes. At some point within that period of time, it was determined that '91-92 Seniors RentalStart funding would not become available, so that projects that were approved under the '90-91 project that would be carried over into '91-92 had to be funded on some basis and had to be put in the Estimates.

\* (1600)

**Mrs. Carstairs:** Mr. Deputy Chairperson, the question remains: Why was this the only project that it was determined in the minds of the government that should be listed as an appropriation under Loan Forgiveness for the fiscal year 1991-92 when it was in competition presumably with eight or nine other projects?

**Mr. Ernst:** It was the only project approved.

**Mrs. Carstairs:** Mr. Deputy Chairperson, therefore, I would like to move, seconded by the member for Inkster (Mr. Lamoureux), that the item Loan Forgiveness and Appropriation 30-4, a sum of \$357,700 in the Estimates of the Department of Housing, be deleted.

**Mr. Deputy Chairman:** It has been moved by the honourable member for River Heights (Mrs. Carstairs)—I move, seconded by the member for Inkster (Mr. Lamoureux), that the item Loan Forgiveness in Appropriation 30-4 of \$357,700 in Estimates of the Department of Housing be deleted.

I am going to rule the motion out of order. We are dealing with the Estimates book and it is Appropriation No. 4 Transfer Payments to the Manitoba Housing and Renewal Corporation of \$33,787,800. The item being moved by the honourable member for River Heights is in the supplementary information book, which is not what we are dealing with at this time.

**Mrs. Carstairs:** Mr. Deputy Chairperson, I challenge the ruling. I use as precedent the decision made by the Chair of the other committee in the Education Estimates who accepted exactly that type of a motion in the deletion of a sum of money from the Department of Education.

**Mr. Deputy Chairman:** Is there a second person to challenge the Chair? The member for Inkster (Mr. Lamoureux) and the member for River Heights have challenged the ruling of the Chair.

Shall the ruling of the Chair be sustained? All those in favour, say yea.

**Some Honourable Members:** Yea.

**Mr. Deputy Chairman:** All those opposed, say nay.

**Some Honourable Members:** Nay.

**Mr. Deputy Chairman:** In my opinion, the Yeas have it.

**Mr. Lamoureux:** Yeas and Nays, Mr. Deputy Chairperson.

**Mr. Deputy Chairman:** There will have to be two members to call for the Yeas and Nays. The honourable member for River Heights and the honourable member for Inkster. Yeas and Nays have been called.

A formal vote has been requested by the honourable member for River Heights and the honourable member for Inkster. I would like to inform this section of the Committee of Supply meeting in Room 255 that both sections of committee will be called into the Chamber. The clock will cease in this section and the bells will ring.

### SUPPLY—NATURAL RESOURCES

**Madam Chairman (Louise Dacquay):** Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply is dealing with the Department of Natural Resources, page 126. Does the honourable Minister of Natural Resources wish to make an opening statement?

**Hon. Harry Enns (Minister of Natural Resources):** Madam Chairman, yes, I would briefly like to introduce the Estimates for the current year for the Department of Natural Resources. I welcome this opportunity to have members opposite examine the functions of this extremely diverse and interesting department of government services.

I would like to acknowledge that there have been fundamental changes in the department since last the Estimates were reviewed. Let me first of all say that I am delighted to have the opportunity to have what I hope will be a significant examination of the department. The last number of years it has been our situation to find ourselves either at the immediate tail end of the allotted hours for Estimates review, so that little or no time was left for any serious consideration by members opposite to review the department's Estimates.

One of the fundamental changes that honourable members will note in this year's presentation of the Estimates is the coming together again of the Water Resources and Engineering & Construction branches under one department. That comes back into kind of full circle from when that group first was organized as one of the premier government services in the late '50s, in the early '60s, one that I was privileged to lead, perhaps at the height of their activity.

I pause for a moment to make some special references to the work that our engineers, our Water

Resources people have done for the people of Manitoba in these past 30 years. I say so because I am not—you know, there are some very strong feelings that I have. This is the group of departmental employees who have had the largest reduction in staff positions and years in the department. I want to acknowledge that what this group of men and women did for the people of Manitoba is really significant.

Not only has it provided the opportunity for agriculture as we now know it to flourish on some 5 million acres of clay soils by the extensive development over the years of the provincial waterways system, which is virtually complete, needing of course constant maintenance, constant attention and refinement. It is there and it is in place.

\* (1430)

As well, of course, too many members are of the generation who do not really recall the devastation of the floods that the Red River Valley is capable of, the devastation to the city of Winnipeg and the surrounding area. Again, this department, this branch, had a big hand in bringing about the resolution to those problems by the construction of the major floodway around Winnipeg, the Portage diversion, the Shellmouth Dam. In addition to that, of course, the number of communities, some of whom are just now getting the last touches of that in terms of flood protection—we have ring dikes around many communities. We have other forms of diversions around communities that save built-up urban areas through the province of the dangers of flooding.

So, Madam Chairperson, I certainly wish to acknowledge the work contribution that the Water Resources group as a whole, including the Engineering & Construction group, have provided for the people of Manitoba. It is a tribute to the work that they have done. They face a different challenge in the future.

There are many who say that it is more important, and I am one of them, that we find ways and means of sourcing additional water, that we allocate the current water that is available in the province, particularly after the experience of three, four, five years of below average precipitation and water available in the province; the question of allocating water is of extreme importance.

Our department has to work much more closely with my colleague in the Department of Environment



in terms of protecting the quality of the water, the kind of usage and the allocation that water is accorded from time to time by different groups within our society. We have a great deal of work to do in that area, a great deal of work to ensure that the principles of sustainability, with respect to this important resource, be fully met.

Honourable members will recall that under my immediate predecessor, the member for Rhineland, extensive public hearings were undertaken to ask Manitobans how they felt about water as a resource, how it ought to be safeguarded and how it should be used. Many of those suggestions from a large number of public meetings throughout the province have, in effect, been adopted by the branch, by the department, by this government as policy with respect to how we address ourselves to the proper management of this most important resource that is part of the mandate of this department.

I would also like to acknowledge that with the experience, the sad experience, I might say, of two extremely difficult years in the forest fire suppression business the department has managed to do a number of things that obviously have paid in benefits last year when we actually had quite a severe forest fire year, but did not suffer anywhere near the losses of the years previous. Again this year, for members' information, we sometimes forget because we have had a little bit more rain in the province, generally speaking, and are thankful that it is there. The farmers are thankful it is there. The general countryside looks greener and we have also had the moisture in the North.

We have had, nonetheless, to date, some 197 individual fires, but the acreage destroyed by them is extremely low, some 1,800 hectares in all. This indicates that the fire suppression crews that are out there, ever vigilant, have in effect been able to get onto the fires as soon as they start and that is, of course, when fire suppression is most effective, when they can be located and acted upon immediately to ensure that the fires do not develop into the huge fires that we had to contend with in the years '88 and '89.

Some very innovative methods have been introduced in our fire suppression work, including a helium-filled balloon which enables us to direct our own radio repeating stations which keeps us out of the busy airwaves when we have a large number of our own aircraft fighting fires in any given area.

We have technology which enables us to pinpoint, with far greater accuracy, the exact source of a fire as a result of our recent survey technology, remote sensing technology. Foam equipment has been installed on all of our water bomber aircraft in addition to, of course, their capacity of carrying the water that is most normally used for suppression of fires in their efforts to repeat them.

I remind members that such chronic problems that we have had in this area, better control of our peat fire situation, is working. The measures, regulations that have been put in effect in the last several years, have enabled our people to control this feature of the Manitoba scene, particularly on the eastern border, or the eastern parts of our province, in a much better way.

There is a particular initiative that I am extremely proud of, despite the overall constraints of the budget. We have been extremely fortunate, in my judgment, to have entered into agreements with a number of other agencies under an overall program that is referred to as the North American Waterfowl Management Plan.

It is a program of some tenure, some 15 years. It involves various private and government agencies, Canadian Wildlife Service, the Department of Natural Resources, organizations such as Ducks Unlimited of Canada and other organizations in the U.S.A.

It is a major initiative targeting in on particularly the highly productive waterfowl areas of the southwest, but not exclusively. We hope to address a number of longstanding issues of some of our major heritage marshes such as the ones that we have around Lake Dauphin, such as we have in the grassy marshes area in the Gladstone area and other areas of the province including the Rat River and the southeast portion of the province that we will significantly enhance the acquisition of wetland acres in conjunction with the overall program to enhance waterfowl populations in the province.

I hasten to add, Madam Chairman, I do not think exclusively in these terms. I believe acquisition of this kind of habitat for wildlife purposes enhances the opportunities for all of nature and all forms of wildlife, both consumptive and nonconsumptive birds, for instance, as well as other animals that would find this habitat to their liking and to their eventual propagation.

I am extremely positive about that development. I can report to honourable members that the operational year has taken place. We have decided in this province to use a vehicle that was there and ready, that was established by the former government, the Manitoba Habitat Heritage Corporation, back in about the years of 1985 or '86, as the vehicle to centrally direct the operations of the North American Waterfowl Management program. It is found to be very effective.

We have field offices located in four communities of rural Manitoba and the staff have been hired and are in place. As I said, among its objectives are the acquisition of some half a million acres of private lands. These are the hard-to-get lands for wildlife purposes. It was easier in the past and still is easier today for the government, for instance, to set aside fairly significant areas of land if they are Crown lands, if they are public lands.

It is my hope to continue doing that. In my own constituency, we have set aside 15,000 acres of this kind of Crown land at the Lake Francis marshes, which I have every intention, and it is my hope, will become another jewel in our wildlife management areas not unlike the Oak Hammock Marsh. I point out the difference, it is some of those private acres, and it is in those acres in that part of the province where we see the disappearance of habitat, and it is felt most extremely by those users of that habitat when they are degraded and in fact are bulldozed out of existence.

So it is those very vulnerable and important acres that this program is principally targeting.

\* (1440)

Another issue, Madam Chairman, that I would simply bring to honourable members' attention is that we are pleased, despite some of our ongoing difficulties, from time to time, with the federal government, to have just recently concluded an additional five-year forestry agreement, the order of some \$30 million. It is a program that will enable us to carry on with our responsibilities, in terms of silviculture and other forestry practices, on about the scale that we had in the previous five-year agreement.

One notable portion of the agreement that I am enthused about is again the opportunities to try to expand forest activities in nontraditional forest areas, for instance to encourage southern Manitobans to at least examine the possibility of

whether or not some form of wood lot farming would not be to their advantage, particularly during these times of ongoing difficulties with making cereal grain production being the only alternative that they have. There are other programs not directly under my jurisdiction but under the jurisdiction of the Department of Agriculture and the federal government that have lay-aside programs, if you like, that pay substantial—or encourage farmers to set aside 50 acres or 100 acres into permanent cover. That permanent cover could include trees.

It is my understanding that there is currently a program that has just been announced that pays upwards to \$50-\$51 per acre if a farmer decides to set aside 40 acres or 100 acres. He can then avail himself of the new forestry agreement that I have signed with some assistance from our Forestry branch to, in fact, put in a plantation of trees. That is a long-term project. It has been difficult to get southern farm people interested in the program because, even at its earliest, it is a five or seven or eight year return for, for instance, something like Christmas trees, if that is what they are interested in. Of course, it is much longer, 35, 40 or 50 years, if they are interested in some other kind of hardwood or softwood actual tree production.

These are some of the initiatives that honourable members should be aware of that are included in the departmental Estimates before you. I certainly want to acknowledge the work of the entire staff of the Department of Natural Resources. It has not been a particularly easy year for many of us.

If honourable members have deduced, as I note they have, there was not always a great deal of enthusiasm displayed by myself as my department took, was asked to take, considerable reductions in overall staffing, honourable members are correct. I am not going to try to be overly defensive about these positions.

I support the position that my government feels it has had to take in this matter, but I do not take issue with honourable members opposite, certainly not my critics, if they wish to berate me or my department for not providing sufficient resources in any particular given area.

I ask honourable members, and I am not speaking to the two members who are my resource critics, but I ask you to just think about your own situation. When has it been that the last time you asked me about how a park was being run, about what kind of

job my foresters are doing? You have a tough time getting in edgewise. We spend 99 percent of our time in Question Period here on social matters. That is the hard fact of the matter.

Today, the entire Question Period dealt with the MGEA employee benefits. If it is not that, it is daycare. If it is not that, it is Health. If it is not that, it is Education. If it is not that, it is Family Services. That generally reflects what, in my judgment, is detrimental to the affairs of this department.

In the final analysis, unless there is expressed in this Chamber and indeed by the general public a greater concern about our ability to look after our forests, our ability to provide the kind of services that people would like to see in our parks, our ability to have our conservation officers safeguard and properly carry out the regulations in place for the protection of our wildlife or to assist our sports anglers or our commercial fishermen, you know it makes it that much more difficult for a government to prioritize the demands on public funding when money is short. So I, in fact, will be inviting honourable members to assist me and assist this department in getting its fair share. What is a fair share is always hard to say.

I can report to honourable members, when it was my privilege in the first instance to be answering for the Estimates of this department, this department commanded some seven percent of the total revenues of the government of the day. Today that figure is below 2 percent, and that says something for us. Yet, at the same time, and certainly my critics no doubt will make me aware of it, all public opinion polls, all public sampling of what is important to people indicate that there has been a very substantial rise in people's awareness about how we should look after our natural environment, how we should be looking after our parks, how we should be looking after our forest interests. So those two are on directly competing paths on the line in terms of my funds going this way and the awareness of the general public going that way.

So I invite, quite frankly, honourable members to help encourage my colleagues, my government and myself to find the necessary political will to put the kind of dollars to work in this department that are necessary. With those few comments, Madam Chairperson, I will be pleased to answer any questions that honourable members have, and enter into a debate with how we can together develop the kind of revenue base for a department

that in my judgment is, although not one of the big spenders when I look at my colleague the Minister of Health (Mr. Orchard) here beside me or the Minister of Education (Mr. Derkach) behind me, but nonetheless a department that has an extremely important task to do. More importantly, the people of Manitoba want that task done. They want it done well, they want it done efficiently and they want it done with a great deal of sensitivity.

Thank you, Madam Chairperson.

**Madam Chairman:** We will now hear from the critic of the official opposition party, the honourable member for Interlake.

**Mr. Cliff Evans (Interlake):** Madam Chair, as the minister mentioned, we do this time around have a better opportunity to go through the Natural Resources program and expenditures, and we will have and use the full time that we are allotted. My colleagues and I will, in fact, be questioning the minister on perhaps every cut, every increase that has gone through this year's budget.

Looking at the past couple of years, and this being my first full budget year as critic, noticing the differences that have occurred in each section of his department, my colleagues and I will, again, ask this minister, who has been the Minister of Natural Resources for quite a few years, why over the years the services and the finances and the expenditures have been cut in different areas. How are they going to affect the people of Manitoba? How are they going to affect the parks of Manitoba? How are they going to affect the water resources and forestry, Madam Chair?

The minister speaks of us being co-operative and lenient with him on this side for all the cuts. He himself states that it is unfortunate that his department should lose 230-odd jobs and perhaps more. He says he is sorry that his department had to take a \$14 million cut to be able to have social services funding available, the different services that the people of Manitoba need.

What the minister also did state is how important a Natural Resources department within this province is to the people of Manitoba. If it is that important, Madam Chair, then where was this minister during their cabinet negotiations for the budget, for the funding for Natural Resources?

\* (1450)

There have been some changes, yes. This department has been able to take away from their

budget, to cut in their budget the forestry, the different projects that are near completion or are completed that there has been spending on in the past few years. I think that the minister himself—if he feels that all these departments and all these cuts are so terrible, in a way, I guess you can say, how is this department, and how are he and his people going to be able to provide the services that are so required, the needs that are so required within this department for the province of Manitoba, for every department, for the people, for tourism? His cuts in his department, how are they going to affect the tourist industry within this province?

He feels that he has to work with environment people and work with the Tourism minister. However, he says, well, cut in my area. I will take less. We will give it to social services. We will give it to the Department of Health. In that, I cannot deny to the minister that these other departments are not important, that there is not a vast amount of money to be spent this fiscal year.

However, there is a limit of what can be cut. There is a limit as to how many people you are going to lay off. Of 230-plus jobs, there has to be a limit as to how many in what department. There has to be a limit as to where, what departments, what areas. I wonder, and I will ask the minister and so will my colleagues, has there been, and was there consultation throughout his whole department to get rid—and I say get rid of—perhaps, some of the jobs that were involved were through retirement. Perhaps some of them were very part-time jobs, summer employment that, well, perhaps we could have, instead of having 10 working in a park, we are going to have nine perhaps.

In certain areas, the jobs, the cuts are important to this province and to the people. You look through the summary of the minister's programs. You look right off the top right on the first page, \$10 million in cuts—\$10 million, Madam Chair. The minister—even though some are very up-front, they show us right in the Estimates in the summaries—but we are going to ask the minister to explain these. We are going to ask the minister how they are going to affect. We are going to ask the minister why. We are going to ask the minister how many more are going to be coming from each department and from his department.

We look also into expenditures related to capital in going through the Estimates. His department has cut some \$4.5 million. How is that going to affect

the programs or the needs of the Natural Resources department? Where has that money gone to, where has that money been allotted to and why is it not necessary over the past few years to have expenditures related to capital? It has been sitting around the \$8 million mark. All of a sudden, we are down to \$4.5 million.

Madam Chairman, I would like to give the opportunity to third party critic and, seeing that we do have the opportunity to deal with this minister's portfolio this time around and in more detail, I would just like to say that between myself and the members from my side of the House, we are going to be asking the minister to explain each and every penny that has been cut or allocated to whatever source that he feels.

I hope that we get down to the bottom of why 200-plus jobs and \$14 million that he feels his department might not have been important enough, yet he says it is important, but not important enough to stand up, Madam Chairman, stand up to the Minister of Finance (Mr. Manness), to his cabinet and say, we need this, we need that, we cannot cut that much, we cannot cut that much. There has to be a limit. I mentioned earlier a limit. This minister had absolutely, I feel, and he will have to explain why, he had no heart and soul to be able to stand up to prevent, Madam Chair, the biggest job loss in this whole province, in his whole department.

Madam Chair, I want to thank you for my opening comments and I will again be questioning this minister, as I say and as we say on this side of the House, minister without portfolio, because he has cut everything, or allowed everything to be cut in his department. Thank you, Madam Chair.

**Mr. Paul Edwards (St. James):** Madam Chairperson, it is with pleasure that I embark on this my second run through the Natural Resources Estimates process with this minister. I also serve as my party's critic for the Department of Environment. For me, it has been an interesting blend. Of course, the overlap between these two departments and the philosophies which should be at the root of both of these departments is quite extensive.

As one learns about the environment and understands the issues confronting Manitobans on the environmental front, one also cannot avoid, indeed must, if one is to do a thorough look and a thorough job, consider our Department of Natural Resources and its role in preserving and enhancing

our natural environment for, not just all Manitobans, but also for the many others who come to this province, who we want to come to this province to share in the grandeur and the beauty of our natural resources, but also for our future unborn generations for whom we will leave the legacy, either of a natural environment spoiled and desecrated, or of a natural environment which we have had the advantage of, but also passed on.

Madam Chair, I have my own—and I am sure it is shared by the minister—philosophy of the abundance with which we are given in this province of natural beauty and natural resources. That philosophy is that we should endeavour and use our utmost efforts to pass on to our future generations not just an equal bounty of natural resources, but enhanced. Surely our role and our goal as legislators is to ensure that future generations have the same benefits that we have had in this province.

Madam Chairperson, the department has obviously in recent months gone through a severe cutback, 234 jobs by the minister's own Estimates documents here have been cut from this department. There are still some 1,265.5 jobs left in the department, but given the magnitude of this province, and the magnitude of the responsibilities which are left to the department, and the fact that in the last Estimates process we came across numerous examples of departments and branches where there were not enough staff by the minister's own admission to do the job as completely as he would have wanted it done, it is hard for me to fathom how this minister could have acceded to, been talked into, maintained his position as minister in the wake of these most dramatic cuts in the entire 18 or 19 departments of government.

I think what has to be recognized is that if the government had embarked on this type of a cut in the Department of Environment they would know that they would have paid a very high political price and that is why they did not. They felt free to do it in the Department of Natural Resources.

\* (1500)

I think politically that may have been astute from their point of view if they were going to make cuts, because the Department of Environment as a word, the word "environment" sends, I think, chills down every politician's spine, because it is a very sensitive word in the community. The Department of Natural Resources does not have quite the same immediate

reaction from the general public, but I think when they understand that you can have all the environmental laws in place you want, you can have all the regulations in place, if you do not have the people to make them effective, to enforce them and to make sure that the resources of this province, both in terms of land and wildlife, are adequately protected, then the Department of Environment and all of their work become redundant unless the Department of Natural Resources can do the job of enforcement, protection, preservation and enhancement of the resources that we have.

Madam Chairperson, I think it is critical that we understand the very, very vital role that this department has to play on the environmental front with respect to the environmental future of this province.

Madam Chairperson, I want to cite to the minister the statement that I heard personally at a meeting I had with a colleague, who will be well known to the minister, the former Premier Sterling Lyon. I had the opportunity to get to know Mr. Lyon in not a political capacity, but as a practising lawyer. -(interjection)- Well, the Minister of Health (Mr. Orchard) sees fit to criticize the conversation I would have had with the former Premier. I find that extremely distasteful. The former Premier, regardless of what party he was in or what the Minister of Health felt about him, was a very fine gentleman, in my view, and had enormous integrity, far more than the present Minister of Health will ever have, Madam Chairperson.

In any event, his comment to me at the time was, in speaking about his love for this province, that all Manitobans and anyone coming to this province would be well advised to make a life here, if they had any desire to explore and know the forests and the outdoors, generally. He said, in this province and in this city, you can have access to the outdoors more so than any other region that he has ever known. That left an impression with me. I was not aware that he was an outdoorsman himself.

However, clearly that is true. Something that we share as Manitobans is such easy access to the great outdoors, which we have in abundance here in this province. It is something which, increasingly, is becoming rare in the rest of the world. That is another reason, I think, that the cuts to this department are tragic indeed. I think they illustrate the fact that we in this province, perhaps, take for granted the abundance that we have.

In Canada there are a few provinces, quite a few, that have similar abundance of wildlife, although not identical, but in Canada we are blessed with that. What we have to understand is that we are the envy of the world on that front, Madam Chairperson. If one travels around the world, one understands that. That is what people know about Canada. They know that we have the abundant forests, lakes, streams and mountains that the rest of the world has sadly lost, either through desecration or by overcrowding population bases or, indeed, by industrial pollution or otherwise.

We must not let that happen to our province. So, when 234 jobs are cut in one fell swoop, Madam Chairperson, I think we all have to take a look at the principles behind a government that would do that at this time. They have cut jobs which protect parks, water resources, wildlife, at a very critical juncture in our province's history. They are proposing, this government is supporting and proposing water diversion projects around this province that are unheard of in the history of this province, the magnitude of which, on the environmental side, is enormous by all accounts, by the admission of the Minister of Environment (Mr. Cummings). To do that at the same time as espousing the principles of sustainable development and environmental friendliness, just does not make sense.

As we go through the lines of the budget in this Estimates process, the minister will be asked, and he will get used to the question, as to what impact the cuts are going to have on the effectiveness of his department. Again, I remind him of his own statements in the last Estimates process that, in many departments, in many branches, there was not enough manpower then to achieve the goals that he had set for the department. He said it, regrettably, and, of course, the world is not perfect. We all do not have everything and all the money in the world to spend on these things, but he said that himself. It would be interesting to know the comments that he would have made at the cabinet table when his department was set apart for the deep cuts that it felt.

Without belabouring the process more than it has to be, Madam Chairperson, we will want to get those answers, not just for our own edification but in order to find out from the perspective of the environment and sustainable development, which we hear so much about, what these cuts will mean in the end to the future generations in this province who will

inherit the natural resources we leave to them and to whom we owe a duty.

Madam Chairperson, I recall from the last session that this minister answered questions for the most part in a forthright manner. I look forward to that same forthrightness. He is known in this Chamber for his mastery of the rules of the House and as well for his understanding of the procedure. He understands well the importance of this procedure, I know.

We will look forward to as many factual answers as he can give us. Indeed, as always, I think my friend and I in the opposition remain receptive to this minister if he does not have factual information before him at the time, making that available to us in due course. That will be a procedure which is certainly acceptable to me. We hope that he will take the opportunity to make as much factual information, be it documentary or otherwise, available to us. If he does not have it at the time the question is asked, then sometime thereafter. Thank you, Madam Chairperson.

**Madam Chairperson:** Would the minister's staff please enter the Chamber.

**Mr. Enns:** I will just introduce senior staff: my deputy minister, Mr. Dale Stewart, known to most members; Mr. Umendra Mital, assistant deputy minister; Mr. Harvey Boyle, director of Regional Services, and Mr. Bill Podolsky, in charge of Finance and Administration.

**Madam Chairperson:** Item 1. Administration and Finance (b) Executive Support.

**Mr. Cliff Evans:** Madam Chair, I am going to just relate to the minister that with the short session we had last time, there are going to be questions that I was wanting to ask last time and was unable to and because of my unfamiliarity with the department and staff, there are going to be questions that I am going to ask that may be for general knowledge.

On your Managerial and staffing, I notice that staff has not changed at all for quite a few years. Could the minister inform me as to the Professional/Technical and the Administrative Support staff that is involved within that department?

\* (1510)

**Mr. Enns:** Madam Chairperson, I believe the honourable member will—as co-operative I will attempt to be. The member can read the figures pretty well that are before him. As he says, in this

overall resolution there has been little or no change. That is not entirely true. Administration and Finance has been asked to offer up its share in terms of staff reductions. In the main, they are pretty well in the same situation that they were last year.

(Mrs. Rosemary Vodrey, Acting Chairman, in the Chair)

This department, again for the honourable member's information—the member for St. James (Mr. Edwards) may be a bit more familiar with it. This department's net growth has not been notable over the last number of years. The positions in the items that the honourable member refers to, Finance, Human Resources, have virtually remained the same last year over this year.

**Mr. Edwards:** Madam Acting Chairperson, the salaries increased by some \$9,000 on the Executive Support for the minister. Can the minister indicate how he justifies that increase at the same time as his department suffers a job loss of some 234 jobs and at the same time as the MGEA and some 48,000 workers in Manitoba have been told they will receive no increase?

**Mr. Enns:** I am advised, Madam Acting Chair, that does not account for any additional individuals, but normal salary increases within their band of incremental increases that are available to them under the arrangements of their employment. That is all I can answer on that.

**Mr. Edwards:** I understand the minister is saying that this was in the normal course that these increases came into place. In the normal course there would have been increases for many Manitoba workers. In the normal course there would have been an arbitration process, which would have been followed through by the government after commencing it and appointing an arbitrator.

Unfortunately, when they decided that their arguments were not going too well, they pulled out. The arbitration was started. They participated in the appointment of the arbitrator. They got going. Things were not going that well, and they decided to forget the arbitration process, let us pass legislation to give a zero percent increase.

Now, whatever one thinks about the zero percent increase, Madam Acting Chairperson, one must admit that it should be consistent. I would ask the minister to explain how he considers it fair in the same year as he is cutting 234 front line workers

from his department and in the same year that every other civil servant has just been told they will receive zero, in the same year we in this Chamber have taken zero percent increase, there is a \$9,000 increase in the Executive Support, Salaries of his department.

Surely he at that level in that department should be setting an example and should be a leader on the issue of fiscal restraint. I mean no disrespect to those who received the increases. Just as we in this House took zero percent and took no increases, why was it not done at the top level in his department?

**Mr. Enns:** Madam Acting Chair, perhaps it is an opportune opportunity for me, in lieu of today's Question Period and attention with respect to the actions of my colleague the Minister of Finance (Mr. Manness), to say that there is no such thing as zero increase for any and all public servants, that all public civil servants, including managerial support staff, have written into their contracts certain merit increases. That is applicable to all departments.

I am advised that percentage increase within the band can be—and I am not sure what it is, but I know that my colleague, the Minister of Agriculture (Mr. Findlay), recently checked in his department that constituted some 3.8 percent of an increase in one's salary. I do not know what it is in our department. I could not tell you at any given time whether 60 percent or 70 percent or 80 percent of the employees have received their maximum merit increases, but how I know is that during the course of any given year, there are a number of merit increases that are granted. Certainly, the same applies within the managerial staff, so the member makes the point at this particular time, and he is asking the question on this specific item in the Estimate book. I am explaining to him that this increase represents those merit increases within the support managerial staff within the department and nothing else.

My further advice is—and subject to senior staff advising me—I am told that, for instance, if an agreement is signed with the MGEA senior staff, managerial staff not included in that agreement, the practice has been that they then get a consideration in the same field or the same area of the settlement. If, for instance, the settlement agreement with Mr. Olfert and the MGEA was arrived at 3 percent or 4 percent or 2 percent or zero, that would be applied to deputy ministers, assistant deputy ministers and managerial staff as well, but that is not what we are

talking about here. What we are talking about here is the normal merit increases, incremental increases, that have been, traditionally, and are available in the current year to members of this staff, certainly, of this department, as they are to all public servants.

**Mr. Cliff Evans:** Madam Acting Chair, I would like to reiterate the honourable member's question on that. Looking ahead on Managerial staff, Professional/Technical and Support, you look through the whole Estimates of this year and you find that there are cuts pretty well in every department, cuts in those positions in just about every department. However, in the minister's support staff, executive support staff and such, there is no cut. There is an increase, like my honourable friend for St. James (Mr. Edwards) mentioned.

You would think, Madam Acting Chair, that if anybody is going to set an example after cutting all the jobs, the wages and asking people to take zero percent or whatever percent, you would think that the minister's right-hand staff would lead by example for the rest of the department and in turn perhaps also go along with what the minister has asked of the rest of the department to take a zero percent or less or hold or take less time.

I would just like to ask the minister how he can tell this House where he should be leading—that is what I am getting at—if his department and his department heads should be leading, he is cutting monies and he is cutting staff in other Managerial and Administrative Support throughout the whole department. Yet his right-hand staff gets an increase at times when things are tough for everyone else.

**Mr. Enns:** Perhaps, Madam Acting Chairman, I could best respond to that question by referring the honourable member to page 23 of his Supplementary Information book and he will note we are in fact under direction from the Treasury Board to reduce all ministers' and deputy ministers' offices for the year '91-92 by some 3 percent or \$18,000 for the coming year.

I can also say that there has probably been no more demanding or difficult time on senior management than the past three or four months with respect to the workload that was impressed upon them by the dictates of the budget. There have been and there will continue to be some examination as to what changes can be made. I

know that in this overall branch, I suppose it was not in this year but in last year's Estimates that it was included, where a senior position that of assistant deputy minister used to be referred to as the Director of Water Resources. The position was, in fact, eliminated in terms of this department's senior management.

\* (1520)

I would refer the member to page 23, footnote on the bottom of that page, which clearly indicates—he is looking at the same book that I am looking in—that indicates the reduction on the item that the member raised.

**Mr. Cliff Evans:** Madam Acting Chairman, just to continue on the salaries portion and respond to what the minister said, I am on the same page. I can read. I see that. That is under Other Expenditures and we will deal when the turn and time comes for that.

My question was, as the honourable member's from St. James, why did this department's heads, this minister's right-hand people not set an example and not take an increase of any kind to show some support and to lead the way? I can read Other Expenditures and those questions will come. I prefer that the minister not jump from spot to spot and stay with us so that we can all stay together on this matter.

**Mr. Edwards:** Madam Acting Chairman, I appreciate the minister's comment that there were merit increases which led to the additional \$9,000. I just want to go through some of the other numbers to illustrate to the minister that he is not being consistent. The next page, page 25, the jobs were cut, Salaries. The page after that, again the jobs were cut. Reference No. 4, jobs cut; Reference No. 5, jobs cut; Reference No. 6, jobs cut; Reference No. 7, jobs the same, but less money.

Madam Acting Chairman, it goes on and on through this book. Either the job staff levels were cut or, in some examples, the positions were the same and the money was less. There are very few, if any, examples, and I guess we will find out as we go through it. Madam Acting Chairperson, surely the minister, in his Executive Support, should have led by example. Madam Acting Chairperson, he kept the same number of Executive Support and he increased the cost of that Executive Support. Now where are his priorities? With the front line workers doing the actual work and the jobs, protecting the



wildlife and the parks in this province, or with his own Executive Support? I do not say that he does not need some, but surely he should lead by example.

(Madam Chairman in the Chair)

**Mr. Enns:** Madam Chair, I just repeat again that the particular item that is being questioned consists of those incremental and merit increases, including secretaries, including the senior managers, makes up the \$9,000 that is under question.

The criticism that I suppose I get in the department more often than not is that we are hard pressed to provide the kind of responses and the answers from demanding members and the general public, and I make no apologies for the level of management support that the department has in place. I can assure the honourable member, and we are more than prepared to indicate that, as we move through the various levels of activity by the department, in many instances senior managers were able, in fact, and were encouraged under my direction to encourage very often more senior peoples to take either early retirements or indeed to take retirement in some instances assisted by an enhanced retirement package so that more junior members, more grassroots members, as the honourable member puts it, have an opportunity to continue their gainful employment with the department.

That certainly was a practice that was in place throughout the department as they coped with the required staff reductions, but particularly so in the case of the water resources and engineering construction people, as well as in some of the other areas where staff reductions occurred.

**Mr. Edwards:** Madam Chairperson, by Order-in-Council 401, dated April 24 of this year, Mr. Umendra Mital, who is with us today, was elevated to assistant deputy minister. I have absolutely no query about the credentials and the wisdom of that appointment of Mr. Mital. Let me make that clear at the outset of my question. However, I do have a concern overall in the administration of government that appointments and promotions are made on occasion, with increasing frequency, without competition. Again in this Order-in-Council, the minister indicates that it was impracticable to hold a competition. Perhaps the minister could explain what the impracticable circumstances were at the time.

**Mr. Enns:** Madam Chair, I am pleased to put on the record the—first of all, the acknowledgement of Mr. Mital's appointment to the position of assistant deputy minister, with respect to the Department of Natural Resources.

I should indicate to honourable members and it should be self-apparent, that a department of a scope and scale and activity of the Department of Natural Resources has normally, for many years, operated with at least two assistant deputy ministers. I should say that in addition I mentioned that, and I do not fault honourable members for not picking that up, but there was in fact, for many years, a third assistant deputy minister—we did not refer to him as such—in the position as a Water Resources director, a position that was occupied for many years by long-time public servant, Mr. Thomas Weber. That position is no longer with the branch.

I further pass on as information the fact that the practice by government, as a rule—I appreciate that while it is by no means exclusive, the practice of looking to senior managers within the department for these kinds of promotions is probably no more the norm than otherwise. Certainly this government has not had in the past any hesitation to broaden and bring in outside individuals for consideration for senior positions with the various levels of government services and will not in the future.

\* (1530)

It is my distinct pleasure to indicate to the honourable members that Mr. Mital is extremely well qualified for the position that he has been appointed to. He comes to the assistance of the branch at this particular time when we are somewhat pressed for assistance at this level, with the fact that one of our other senior members of the department, who normally would be sharing the table with me, is recovering from repeated surgery of a nature that I will not go into. I refer to Rick Goulden who has been assistant deputy minister for the department for a number of years, has had in the past I suppose year and a half or two years, ongoing medical difficulties. He is currently, I am advised, making a further recovery from yet another operation that he just underwent last week.

It was partly for those reasons and others and also the reorganization within—we are bringing together the engineering, construction and the water resources into one segment—that it was deemed

important to, at this point in time, bring Mr. Mital onto the current position that he occupies.

**Mr. Edwards:** Madam Chairperson, I will not pursue that further in questioning, only to make the comment, however, that the appointment to senior civil servants without competition is against the thrust and, indeed, the principles behind the governing statute, The Civil Service Act, and should be done in situations restrictively in which it is truly impracticable.

That is why the word is there. Madam Chairperson, it strikes me that with 234 people being cut from the department, many of whom would have—I am sure the minister would agree—extensive expertise; it would have been an opportunity, one would think, for at least some of those perhaps to have participated in a competition. Again, I do not suggest in any way that the incumbent was unqualified. I simply say that the procedure of promotion within the department must be fair to all. In employment matters, that means open competition in which all are free to apply equally. Of course, we all wish the individual the minister has indicated as off due to illness well and wish for a speedy return.

Moving on to some statements which came up yesterday, I think it is the appropriate time to ask the minister some overall questions about the department and the cuts. Can the minister indicate, of the 234 cuts, how many resided in the various regions of Manitoba? That is, I would be interested to know how many of those positions were located in Winnipeg and how many in any of the other regions in the province?

**Mr. Enns:** I can indicate to the honourable member that it broke down to roughly two-thirds urban and one-third rural, which is not in the ratio of our general staffing. I think it is just the reverse. Our department is a fairly decentralized department as one would expect with our work being in the outdoors. If you look at where our overall staffing complement works and resides, that would be just about reversed. To answer the member's specific question, the positions were predominantly urban, two-thirds urban and one-third rural.

**Mr. Edwards:** Can the minister indicate in the decentralization plan of the government overall, how many positions were to have been transferred to rural or nonurban areas in his department?

**Mr. Enns:** You ask all the hard questions first, do you not, member for St. James? The members will also be aware that my department was requested to make a very substantial contribution to the overall decentralization plans of the government. The original number of positions that were requested from my department were some 74 positions for decentralization of which 15 of those 74 positions were affected by the budget that was imposed on the department. That leaves a number of positions available within the decentralization owed of some 59.

I think the honourable member asked a further question about whether that is a further breakdown, urban or rural. I will ask staff whether they can provide that, but that information may—the decentralization was all urban staff. The 79 positions that were identified for decentralization were urban staff. They would be decentralized out to rural parts of Manitoba—74, pardon me.

**Mr. Edwards:** Madam Chairperson, how many of the 74 positions—the minister has indicated that 15 were affected by the budget cuts—how many of those positions have actually been effectively transferred to rural Manitoba?

**Mr. Enns:** I am advised, Madam Chair, that some 17 have been completed. There are some significant larger numbers that just in the last very short while—for instance, the entire operation of the Lands branch affected some 30 positions, give or take a few, that are slated to be moved to the community of Neepawa.

It is my understanding that the final arrangements have just been concluded with Government Services in respect to housing the same in that community. Those moves will be made later this fall or at the first of the year.

**Mr. Edwards:** Madam Chairperson, by my calculation—and the minister may correct me—but if you take a one-third two-third split, which I appreciate is an approximation, one-third of 234 jobs is about 78. If 78 jobs were cut from rural Manitoba, 17 have been transferred, the minister indicates, from Winnipeg to rural Manitoba. That leaves a net job loss due to this department alone from rural Manitoba of about 61 jobs. It is not too good if one is truly interested in decentralization. We are, obviously, going the wrong way.

What one can conclude is that, even if the decentralization plan had been totally effective or in

the future was totally effective, and all 74 positions were done; 15 of those have been cut. That takes us back to 59, Madam Chairperson, whereas the jobs that have been cut from rural Manitoba, again some 78, if one subtracts those 15 which overlap, you still come to 63 jobs. Even if the decentralization project in the department is totally successful, which it will not be, and everyone goes, you still have a job loss of four people in rural Manitoba. That is the final word for this department on decentralization.

Madam Chairperson, as it stands today, there is a net loss of 61 jobs to rural Manitoba. As it may potentially stand in the future, with decentralization 100 percent successful, there is still going to be a job loss of four to rural Manitoba. If there is any clearer indication of the abysmal failure of the government to reestablish confidence in rural Manitoba about their future and about the fact that the government cares for them, this clearly must put that in a shambles. There is absolutely no basis to suggest that this department and this government are doing anything for rural Manitoba.

Madam Chairperson, I want to ask the minister: Of the remaining 42 positions available for decentralization, what is the minister's time line for actually achieving that? How many of those does he anticipate realistically being relocated in the coming fiscal year?

\* (1540)

**Mr. Enns:** Madam Chairman, I think the honourable member will acknowledge that I have not pursued the management of the department to bring the decentralization program to any hasty conclusion.

They have had their hands full, quite frankly, in terms of having to reorganize in many instances, particularly in a branch such as the Engineering and Construction branch and indeed others, in terms of realigning work force to cope with the workload that is imposed on the department in lieu of the staff reductions that have just recently been imposed on the department.

I do not put any fine time line on meeting time objectives on the decentralization programs. Certainly, in terms of personnel involved, adequate time and notice have to be provided. I indicated to the honourable member that there are several significant groups of employees that will be making the move reasonably shortly, in reasonable time,

certainly within the overall time frame that the Minister responsible for Decentralization (Mr. Downey) has indicated when he announced the program, some 12 to 18 months, in some cases two years, and I do not believe that it is important that we put ourselves into time frames that are overly burdensome for the department to cope with.

The other item that I wanted to indicate, the honourable member makes the point that the net effect of the budgetary items and its resulting job losses to rural Manitoba, coupled with the decentralization initiative of the department, are not all that great news for rural Manitoba. I do want to point out to the honourable member that included in these 230-odd positions that members refer to that have been lost to the department, there are significant numbers in the area of parks alone where it is not the total job loss. It is a reduction of full-time to part-time work, 12 months to nine months work, which I might say was in many cases the traditional pattern until such time, in some instances, that pattern was introduced. It stands to reason, quite frankly, that the same number of people are not required to maintain and operate our campsites and parks systems in the wintertime as in the summertime.

The previous administration in their settlement with the MGEA brought in a no-cut job security clause in their contract and that affected a number of these employees. In some of these instances the branch is reverting to the practice as has been the long tradition of the department. It is in that manner that some 30 positions are shown as being lost to the department when not a single position really is lost, but upwards to 120 staff people are now working nine months instead of 12 months. I do not argue that there is some employment loss, but in terms of individuals working in and throughout rural Manitoba, that has to be taken into consideration, for the honourable member for St. James (Mr. Edwards), in terms of overall numbers.

I might say, in some instances, I will not pretend to say in all, but in many instances this is not unwelcome news. We have staff working who quite frankly do not accept that as a great loss, who have other things that they wish to carry on with. We have part-time people who are working, part-time farmers who are employed for the department whose practice and tradition in the past was, in fact, precisely this. They worked nine, eight months for the department and be off work. In terms of

economic loss, they qualify for UI benefits. In actual numbers, the salary and wage losses are in fact minimal. In any event, without taking issue, it was, and I congratulate my senior members in the department's management, a way of coping with the demands put on the department in terms of overall fiscal resources available to act as considerably as possible and to still provide the maximum opportunity for providing the services demanded of us with the kind of reductions this department faced.

**Madam Chairman:** Item 1.(b) Executive Support: (1) Salaries \$261,200—pass; (2) Other Expenditures \$87,800.

**Mr. Cliff Evans:** Madam Chair, on Other Expenditures—and I do not have at my fingertips going back to '88-89 and '87-88. I do notice '89-90, 107,700. I notice '90-91, 107,700. Could the minister explain the cuts, the \$20,000 cuts that are—or \$13,000 cuts that have been implemented into Other Expenditures and how, if at all, they are going to affect the viability of the department?

**Mr. Enns:** Madam Chair, I can only report that there is no specific reduction other than just a little more prudent care of the public purse, perhaps one or two less trips during the course of the year, and general expenditures within the offices of the deputy minister.

**Madam Chairman:** Item 1.(b)(2) Other Expenditures \$87,800—pass.

Item 1.(c) Resource Integration: (1) Salaries \$488,300. Shall the item pass?

**Mr. Cliff Evans:** Madam Chair, I would like to ask the minister under Professional/Technical two jobs were cut there with a reduction in the expenditure of 70-and-some-odd-thousand dollars. Could the minister explain what these two Professional/Technical positions were within that department?

**Mr. Enns:** Madam Chair, there was an economic research analyst which was a vacant position that was cut, an administrative secretary laid off and a planning assistant—three staff years totalling some \$101,500.

**Mr. Cliff Evans:** I might have missed, Madam Chair, did the minister include the next line, Administrative Support staff and cut one in his answer, or did he just answer about the two jobs under Professional/Technical?

\* (1550)

**Mr. Enns:** Madam Chairman, I can only indicate to you that those were the reductions in this complement. I cannot add anything more to that.

**Mr. Cliff Evans:** The minister says that they were cut, laid off, all three positions. In those three job cuts, was there any of the three jobs that were perhaps available for early retirement or retirement, or were they just straight layoffs?

**Mr. Enns:** I am advised, Madam Chair, that one has been successfully redeployed and the administrative secretary, the other position of an incumbent who lost the job, is currently on the redeployment list. So, in this case, it is 50-50.

**Madam Chairman:** Item 1.(c) Resource Integration.

**Ms. Rosann Wowchuk (Swan River):** Madam Chair, under this department there is the Crown lands planning for northern and Agro-Manitoba, natural resources planning for municipalities, and district planning. I am sure the minister is well aware of the problem in The Pas, where there are a large number of residents who are living on Crown land, and the municipality, the town does not have the ability to collect taxes of those lands. There are also many Crown lands throughout the province where people are not paying their fair share of taxes because the municipalities do not have the ability to collect. Is this department doing anything to rectify that situation, and what is happening with the situation at The Pas at this time?

**Mr. Enns:** Madam Chair, the honourable member for Swan River brings up an issue that is a chronic one, one that is getting more serious in the sense that more and more residents of Manitoba are choosing to live in the kind of situations and facilities that she describes. We had a plan in effect that would as a temporary measure at least partially offset the inequity by a simple application of a fee. I am trying to recall what that was. It may have been on the order of \$500—whether it was fairly arrived at or not, but that would at least be some recognition of the situation that she describes, and those monies would be made available to the local taxing authorities.

However, the member should be aware that it is our intention and we have taken the initial steps to review the entire parks situation. It is my hope to bring in new parks legislation in the coming session. This is certainly an item of some long standing. It has to do with assessment as well, and we are under

some obligation, some direction from Treasury Board to carry out overall assessment on Crown lands within the park structure. That would enable us to bring about and redress the situation that she refers to.

Certainly the mayor of the Town of The Pas as well as some other reeves in similar situations adjacent to such other facilities such as the Whiteshell Park bring these matters to our attention, to my attention, on every opportunity that they have, as I know they did to her brother when he was in my position, and they continue doing so. I do want to indicate to her that I have every bit as much resolve to resolve that problem as her brother had when he was Minister of Natural Resources, and I will intend to do it. Fortunately, we have other pressing issues involved in parks. This is not the only issue. I mention it only because it is something that certainly our parks director, Mr. Gordon Prouse, has been pressing on the ministry -(interjection)-

**Madam Deputy Speaker:** Order, please.

**Mr. Enns:** There are a number of issues involving parklands, our utilization of parklands, how we should be programming our management of parks, all tied up in the review that will commence, has commenced, will be getting underway certainly with a significant number of public hearings and public meetings, perhaps in the coming fall, hopefully leading to proposed legislation that I can introduce for the honourable members support when next we meet in session.

**Ms. Wowchuk:** Since the minister has opened the door, I also want to add my comments that yes, I do believe my brother was an excellent Minister of Natural Resources. I know that he was also moving on this matter and was very close to reaching resolve on it, but this minister has to have this department for quite some time. I wish that he would move as quickly because, as these towns and municipalities face additional offloading by the provincial government and have to pick up additional costs, these municipalities need the tax base, need to be able to collect taxes from all people who live in the area and have the benefit of the services provided by municipalities.

I have just recently met with the mayor of The Pas, and they are extremely concerned about what is happening. I asked the minister, he may have commented, but I could not hear all of his answer. What time frame, when can we expect that the

community of The Pas, in particular, can have some resolve to this problem that is indeed causing them serious concern?

**Mr. Enns:** It is my hope that we would be in a position to resolve this issue in the coming session, whether that would be within the time frame that municipalities could avail themselves of that year, but I think they will acknowledge and be satisfied if they see a resolution to the problem. Whether or not we consider introduction of a temporary fee to help out with the situation would be a matter for a future policy decision on the part of this government.

**Ms. Wowchuk:** I look forward to seeing that planning and, if it is going to help the municipalities, I am more than willing to work on it with the minister.

One other area that I would like to touch on under this area is an area that has caused a lot of humour in this House throughout this session. Under here we have endangered species planning. Can I ask the minister whether the cormorant is an endangered species and whether it is a protected bird at this time?

**Mr. Enns:** Madam Chairman, my understanding is that it is not. It may be a bird on a threatened list, but I do not even think that is the case. My understanding with the problem of indiscriminate cormorant control—if I can put that delicately in that way—is that they nest and, within their populations, are birds that are on those lists, the pelican and certain other varieties of birds that are on—I have to be careful about the use of those terms. They do mean different things, endangered, threatened. I think there is even another category, at risk. You know, there are various levels of labelling of the category of the species situation.

My understanding is that the cormorant, as such, is not on the endangered list, but I could be wrong. I noticed a staff member leaving the public gallery. He may have that information for me shortly.

\* (1600)

**Ms. Wowchuk:** Perhaps I could ask the minister, am I asking this question at the wrong time? Should I ask these questions when a different staff member comes into the Chamber?

**Mr. Enns:** My deputy minister advises me, it does not really matter. He feels that we can answer the questions as best at this point as at any other time.

**Ms. Wowchuk:** Then I will proceed with my questions.

I would really like clarification on whether or not this is an endangered bird, because when I first raised the matter, I believe during the last session, if I check Hansard; I believe that the minister did say that this was an endangered bird, and I should not be asking to have the bird controlled. If it is not an endangered bird, can the minister explain what happened a couple of years ago when a couple of people from the, I believe, Winnipegosis area were charged with trying to control that bird?

Perhaps his staff may remember that incident. They were attempting to control the bird, but they were charged.

**Mr. Enns:** Madam Chair, with the honourable member's indulgence, because I know that this is a matter that is a serious matter and is a matter of immediate concern to a significant number of her constituents, as it is to me; I would ask her to defer this opportunity of questioning when, in fact, we do have the director of Wildlife with us—who is not currently with us—Mr. Art Hoole, and who can supply more detailed answers to the questions that she asks, if she will agree to do that.

**Ms. Wowchuk:** I agree to that, and I apologize if I chose the wrong section to ask these questions.

**Mr. Cliff Evans:** Madam Chair, just a couple of questions on Activity Identification. Could the minister, under the integration of Department of Natural Resources resource allocation, sustainable development, conservation programs with other departments, just give me an update on what activity identification that paragraph refers to and what it means?

**Mr. Enns:** Madam Chair, this department assists this department and other agencies of government to come to various decisions with respect to matters that arise out of requests for a particular land use and application.

The group is often involved in providing advice to the Provincial Land Use planning committee, the PLUC committee, that hears requests from various agencies and individuals about the appropriateness of using land for a particular use. The land classification committee, that is the first body that rules on acceptable activity for various types of land uses.

I know that this group of resource planners helps provide the basic information as to the type of land, the classification of the land, the kinds of restrictions

on the land, as to whether or not that land should be held for specific reasons.

It would be the kind of committee, it is the kind of group that helps us in determining different designations for land. For instance, if we have a request from a particular group of citizens who want to designate an area as an ideological—not ideological, ecological, pardon the slip of the tongue—an ecological reserve, certainly this group of land and resource experts review and analyze the appropriateness of that designation.

If there is a request on the part of an individual or a private company or an industry to use certain land or to be able to make use of certain land in a specific way, it is this resource integration group that in the first instance provides the kind of approval or nonapproval or recommendations for conditions that may be attached to the lease.

It is also the group that when somebody says they want to do something with the land, a piece of land, that will analyze the kind of economic considerations that have to be considered. These benefits can be in terms of wildlife, they can be in terms of recreational value, they can be in terms of other resource economic considerations that have to be added into the equation when the government or the branch is being asked or being petitioned to allow a certain use to be made of a piece of Crown land.

This relatively small group within the branch helps integrate the different disciplines and to provide the kind of recommendations to other policy managers who then base their decisions on some of the data and the information gathered by this particular group.

**Ms. Wowchuk:** Madam Chairperson, the minister raised the ecological reserves and endangered species—ecological reserves, I raised the endangered species. There is a lot of concern within the Duck Mountain and the Porcupine Mountain at this time with the amount of harvesting that could be taking place in those areas with forestry cutting.

Can the minister tell us whether there have been any areas within the Porcupine or the Duck Mountain that have been set aside as ecological reserves to be protected before all this harvesting begins?

**Mr. Enns:** Madam Chair, certainly it has been brought to my attention that there is concern in this

area. I have subsequently instructed staff to step up their review of areas that either we believe are of a particular important and sensitive nature, ecologically important that is. I know that my office as well as the branch has received letters from individual citizens and/or groups pointing out particular gorges or rivers, ravines that they have a concern for.

It is my expectation again that much of this will be part of the overall kind of parkland review that we intend to do, because included as an adjunct to the parks review is an opportunity to see how another program that this government is committed to, and I might say the first of provincial jurisdictions to do so and that is the Endangered Spaces Program. We have every intention of fulfilling the conditions of that program, which is asking different jurisdictions across the country to set aside and to so designate, not necessarily 12 percent as a figure, but certainly within that range of lands indicative of the various different zones and types of land that we have in the province for that purpose.

\* (1610)

It is my intention to have that very much part of the parks review because we believe that we can, while some would say not stringent enough policy with respect to potential and ongoing extraction of various natural resources from some of our park lands, it is entirely possible that we will be in a position to designate significant portions of our current parkland and/or indeed additions to it, not necessarily in designating it as parkland, but as part of the Endangered Spaces Program.

Those are the kinds of questions that we want to undertake in this parks review and it is going to be a significant undertaking, but hopefully an opportunity for individuals who have brought this matter to the attention of the honourable member for Swan River (Ms. Wowchuk), give them an opportunity to tell senior civil servants directly, express these kinds of concerns in the hope that they eventually will evolve into the policy of the government.

**Ms. Wowchuk:** Madam Chair, I do not know if the minister is able to share this information with us, but I will ask the question anyway. Has the minister or his department received an application to have a large area of land set aside for wildlife management or endangered spaces area in the Duck Mountains just east of—in the Sarah Lake area, a large area

about four townships that is being proposed? Has the minister received that proposal at this point or not?

**Mr. Marcel Laurendeau (Deputy Chairman of Committees):** Madam Chairperson, in the section of Committee of Supply meeting in Room 255 my ruling was challenged that a motion proposed by the Leader of the second opposition party was out of order. I found a formal vote has been requested on the question of, shall the ruling of the Chair be sustained.

**Madam Chairman:** Call in the members.

\* (1710)

Order, please. It has been reported that in the section of the Committee of Supply, meeting in Room 255, the ruling of the Chair was challenged when he ruled that a motion proposed by the Leader of the Second Opposition (Mrs. Carstairs) was out of order.

A formal vote has been requested on the question of, shall the ruling of the Chair be sustained? All those in favour, please rise.

**A COUNTED VOTE** was taken, the result being as follows:

Yeas 26, Nays 21.

**Madam Chairman:** Order, please. The ruling of the Chair is sustained.

The hour being after 5 p.m., which is time for private members' hour, committee rise.

Call in the Speaker.

## IN SESSION

### PRIVATE MEMBERS' BUSINESS

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

### DEBATE ON SECOND READINGS—PRIVATE BILLS

#### Bill 32—The Mount Carmel Clinic Amendment Act

**Mr. Speaker:** On the proposed motion of the honourable member for St. Johns (Ms. Wasylycia-Leis), Bill 32, The Mount Carmel Clinic Amendment Act; Loi modifiant la Loi sur la Mount Carmel Clinic, standing in the name of the honourable Minister of Energy and Mines (Mr. Neufeld).

Stand? Is there leave that this matter remain standing? Leave? Agreed.

Also standing in the name of the honourable member for Inkster (Mr. Lamoureux) who has 13 minutes remaining.

**An Honourable Member:** Stand.

**Mr. Speaker:** Stand? Is there leave that this matter also remain standing in the name of the honourable member for Inkster? Leave? Agreed.

### DEBATE ON SECOND READINGS—PUBLIC BILLS

#### Bill 22—The Manitoba Energy Authority Repeal Act

**Mr. Speaker:** On the proposed motion of the honourable member for Crescentwood (Mr. Carr), Bill 22, the Manitoba Energy Authority Repeal Act; Loi abrogeant la Loi sur la Régie de l'énergie du Manitoba, standing in the name of the honourable Minister of Energy and Mines (Mr. Neufeld).

**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Speaker, I would like to put a few remarks on the record on the bill asking for the repealing of the Manitoba Energy Authority.

I think it is unwise at this time to repeal The Manitoba Energy Authority Act. We do not know at this point in time who will take up the slack of the work that the Manitoba Energy Authority now looks after. The Manitoba Energy Authority Act was introduced a number of years ago to be a watchdog at that time over the Manitoba Hydro as a result of the Tritschler Commission report. Since that time, the Manitoba Energy Authority has taken responsibility especially in the time of the former

government of selling hydro, of selling energy-intensive industries.

Mr. Speaker, there are a number of other agencies that look after the same work. The Manitoba Energy Authority duplicates a lot of the work that Manitoba Hydro now does and also duplicates a lot of the work that the Department of Energy and Mines now does, but some of the work that was the responsibility of the Manitoba Energy Authority has not been delegated at this point to any—

#### Point of Order

**Mr. Kevin Lamoureux (Second Opposition House Leader):** Mr. Speaker, can we have a quorum count, please?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, on the same point of order, I believe this is a bill proposed by one of the Liberal members, and I would like the quorum count to show that no Liberals are here except one.

**Mr. Speaker:** Order, please. The honourable minister does not have a point of order.

\* \* \*

**Mr. Speaker:** A quorum count has been requested. The Clerk will count.

**Mr. Clerk (William Remnant):** Mr. Ashton, Mr. Santos, Ms. Barrett, Mr. Lamoureux, Mr. Dewar (Selkirk), Ms. Wowchuk, the Honourable Mr. Neufeld, and the Honourable Mr. Rocan.

Mr. Speaker, there are eight members present, including yourself.

**Mr. Speaker:** Due to the lack of a quorum, this House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).



# Legislative Assembly of Manitoba

Tuesday, June 4, 1991

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