



Third Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David, Hon.	Riel	P.C.
PALLISTER, Brian	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupert's Island	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 9, 1997

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mobile Screening Unit for Mammograms

Ms. Rosann Wowchuk(Swan River): Madam Speaker, I beg to present the petition of J. MacMillan, S. Kornik, K. MacMillan and others requesting the Legislative Assembly of Manitoba request the Minister of Health to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity.

READING AND RECEIVING PETITIONS

Mobile Screening Unit for Mammograms

Madam Speaker: I have reviewed the petition of the honourable member for Dauphin (Mr. Struthers) and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Yes.

Madam Speaker: Yes? The Clerk will read.

Mr. Clerk (William Remnant): The petition of the undersigned citizens of the province of Manitoba, humbly sheweth that:

WHEREAS medical authorities have stated that breast cancer in Manitoba has reached almost epidemic proportions; and

WHEREAS yearly mammograms are recommended for women over 50, and perhaps younger if a woman feels she is at risk; and

WHEREAS while improved surgical procedures and better post-operative care do improve a woman's chances if she is diagnosed, early detection plays a vital role; and

WHEREAS Manitoba currently has only three centres where mammograms can be performed, those being Winnipeg, Brandon and Thompson; and

WHEREAS a trip to and from these centres for a mammogram can cost a woman upwards of \$500 which is a prohibitive cost for some women; and

WHEREAS a number of other provinces have dealt with this problem by establishing mobile screening units; and

WHEREAS the provincial government has promised to take action on this serious issue.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity.

Madam Speaker: I have reviewed the petition of the honourable member for Swan River (Ms. Wowchuk) and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: No.

Madam Speaker: Dispense.

WHEREAS medical authorities have stated that breast cancer in Manitoba has reached almost epidemic proportions; and

WHEREAS yearly mammograms are recommended for women over 50, and perhaps younger if a woman feels she is at risk; and

WHEREAS while improved surgical procedures and better post-operative care do improve a woman's chances if she is diagnosed, early detection plays a vital role; and

WHEREAS Manitoba currently has only three centres where mammograms can be performed, those being Winnipeg, Brandon and Thompson; and

WHEREAS a trip to and from these centres for a mammogram can cost a woman upwards of \$500 which is a prohibitive cost for some women; and

WHEREAS a number of other provinces have dealt with this problem by establishing mobile screening units; and

WHEREAS the provincial government has promised to take action on this serious issue.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity.

TABLING OF REPORTS

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, I would like to table the Supplementary Estimates for 1997-98 for the Department of Highways and Transportation.

INTRODUCTION OF BILLS

Bill 11—The Northern Affairs Amendment Act

Hon. David Newman (Minister of Northern Affairs): Moved by myself, seconded by the Minister of Consumer and Corporate Affairs (Mr. Radcliffe), that leave be given to introduce Bill 11, The Northern Affairs Amendment Act; Loi modifiant la Loi sur les Affaires du Nord, and that the same be now received and read a first time.

Madam Speaker, I would like to table the Lieutenant Governor's message and give the message to the Speaker, if I may.

Motion agreed to.

* (1335)

Bill 12—The Manitoba Water Services Board Amendment Act

Hon. Leonard Derkach (Minister of Rural Development): Madam Speaker, I move, seconded by the Minister of Labour (Mr. Gilleshammer), that leave be given to introduce Bill 12, The Manitoba Water Services Board Amendment Act (Loi modifiant la Loi sur la Commission des services d'approvisionnement en eau du Manitoba), 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. I would like to at this time table His Honour's message.

Motion agreed to.

Bill 13—The Insurance Amendment Act

Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs): Madam Speaker, I move, seconded by the Minister of Government Services (Mr. Pitura), that leave be given to introduce Bill 13, The Insurance Amendment Act; Loi modifiant la Loi sur les assurances, and that the same be now received and read a first time.

Motion agreed to.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the Speaker's Gallery where we have with us today Mr. Chen Wenzhao. Consul General of the People's Republic of China to Canada.

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

ORAL QUESTION PERIOD

Access Program Funding Reduction

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, my question is to the First Minister (Mr.

Filmon). The Access program has been one of the most successful programs in this province, indeed in Canada. Seventy-three percent of the participants and students in that program are First Nations and aboriginal people; 70 percent of those are women. They have trained nurses, social workers, teachers, engineers, doctors and a number of other people in professions and careers and lives of dignity.

Yesterday, when the Premier refused to answer questions on prevention in dealing with the United Way report, we asked about the cutbacks that were made by the provincial government to the Access program. The Premier then went in the hallway and said that the major cuts were made by the federal government and denied any responsibility at all on the cutbacks that have taken place in the Access program.

Now we all can universally condemn the federal Tory government of the past for cutting back on their role in the Access program, but I would like the Premier to either confirm or deny that his government has also cut back on the provincial portion of Access over the last number of years, contrary to his public statements in the hallway yesterday.

* (1340)

Hon. Linda McIntosh (Minister of Education and Training): The Leader of the Opposition has to be careful not to confuse two things, Access programming and Access fund. The Access programming has not been reduced at all, Madam Speaker. It is still the same amount as last year. That commitment continues. There will be no change to students in their application for Access. Their criteria remains as they did last year. There was no change to that whatsoever.

What has had a change, and it is not a change that is unexpected to the field at all—we had an Access fund that was year to year, put in place in 1988 and continued on a year-to-year basis until such time as it was felt that the universities had modified their approaches to making available opportunities for aboriginal students and others in need. We feel that goal has been accomplished. The field was aware that we were pleased with their progress in that regard. That fund is discontinued except for some programs that we felt still needed to continue, and they are being

funded by alternate sources. So the Leader of the Opposition is not quite on the mark with the implication in his question.

Mr. Doer: I have a copy of the ministry's briefing note which clearly indicates that the provincial government was funding the Access programs into the early 1990s at a level of some \$11 million, and now the funding in this year's budget is down to \$6.4 million.

Now the Premier (Mr. Filmon) is a big man out in the hallway. Will he stand up today and defend the cuts of his government, his caucus and his cabinet, and confirm in fact that he has been heartless and he has cut investments in the Access program, contrary to any advice for prevention and long-term dignity in careers for First Nations people and other Manitobans that need that program?

Mrs. McIntosh: I repeat to the member opposite that the global allocation for funding Access programs this year is identical to that given to the universities last year. I also indicate to the member that students who apply for assistance over and above the norm, because they are disadvantaged and require those extra funds, have the same criteria, can receive help to an unlimited amount if they require it. That has not changed either, so the member again has implications in his questions that leave a misleading inference for the people.

Mr. Doer: The only one misleading the people of this province is the Premier and his Minister of Education who refuse to take responsibility for their own cuts. They have used the camouflage of the cuts of the federal Tory government to camouflage the cuts that they have made to the Access program, contrary to any report and study about long-term preventative programs, Access programs, bridges for people, bridges for communities.

Would the Premier not confirm that his government—not the federal government, which has cut the program, we admit—the provincial government has cut the funding? In '91-92 from \$11 million, '92-93, \$10.9 million, and down and down it goes, until this year it is down to \$6.4 million, a cut of some \$6 million to people and students that need help, not cuts. Why do we not put a smile on the face of people that need Access programs instead of smiles on the faces of the

business community that get their tax breaks from this Premier and this government that does not give a damn?

Mrs. McIntosh: The member knows that some years ago the federal government and the provinces had a new way of delivering loans. Here in Manitoba students were first asked to acquire a loan. Then, if they require more on top of that through Access, they can be given an unlimited amount up to whatever it is they require to meet their needs. That means we do not have to expend as much money because first the loan goes in place, then on top of that the nonrepayable bursary, Madam Speaker. That I think the Leader of the Opposition knows but has chosen not to make reference to it in his question.

The amount of money that is for Access programming remains unchanged. The Access fund itself, which was just a little over half-a-million dollars, was a one-time year by year to accomplish specific goals, most of which have been accomplished by the universities. Some of those programs under Access fund will still continue, and they are being funded from alternate sources.

* (1345)

SmartHealth Patient Record Confidentiality

Mr. Gary Doer (Leader of the Opposition): A new question to the First Minister. We have always said that privacy legislation should precede private contracts, which of course is the opposite way in which this government has made an arrangement and contract with the SmartHealth operation, a subsidiary of the Royal Bank of Canada.

Madam Speaker, can the Premier tell the people of Manitoba why the Manitoba Medical Association is urging its doctor members to refuse to co-operate with the Manitoba SmartHealth program?

Hon. Darren Praznik (Minister of Health): Madam Speaker, I think the Manitoba Medical Association will have to answer that question themselves, but I can tell the Leader of the Opposition, we, like members opposite, are very concerned that, in the new age of technology and the great benefits it can provide in the

flow of information, there be very strong protection of privacy. That is why we will be bringing forward legislation to cover that in this session of the House. With respect to the committee that was developed to work on that particular area, the College of Physicians and Surgeons, as the professional body representing physicians, has been involved in that process, if I understand it correctly, rather than the Manitoba Medical Association.

Mr. Doer: Madam Speaker, in a letter to the doctors across Manitoba, the president of the MMA states that the paramount concern that they have is the security of confidential patient records, individual patient records. Would the Premier please advise this House and the people of Manitoba: Why are doctors worried about the confidentiality of patient records? Should the Province of Manitoba not have dealt with this prior to this private contract being issued to their friends in the Royal Bank?

Mr. Praznik: Madam Speaker, first of all, everybody should be concerned about the private records of individuals. Whether those records be on paper or on an electronic medium, we should be concerned about it. The difficulty, of course, is when you put it onto an electronic system, the opportunities to access are far greater. That is why we will be introducing into this House in this session very, very tough legislation, in fact, leading-edge legislation in Canada on privacy protection. The doctors, the physicians of Manitoba have been represented in the development of this legislation through their professional body, the College of Physicians and Surgeons.

Mr. Doer: Most confidential experts in Canada have concluded that Manitoba is in last place in dealing with the legislation. So, if that is the leading edge, Madam Speaker, the only leading edge we see is the hundred-million-dollar contract—is the leading edge of a contract to a private firm for public records. That is the leading edge we see from the Conservatives.

I have a simple question to the Premier: Who will own the individual patient records, the private company or the public interest?

Mr. Praznik: Madam Speaker, the Leader of the Opposition continually in this House exaggerates, in

fact is sometimes absolutely wrong and proves time and time again his lack of knowledge on the subjects on which he inquires.

If the member for Concordia, the Leader of the Opposition, was right in saying we are so far behind, why is it one of the difficulties we are encountering in actually drafting this legislation is that we have no other precedents to follow? The fact of the matter is that we are drafting provisions for which there is no precedent. All provinces today who are heading into this in one form or another—Ontario, I know, is advancing this as well, and we are attempting to share basic information on how we draft the legal provisions. So the Leader of the Opposition once again demonstrates he knows very little about the topic. With respect to ownership information, that is a matter that will be settled in the bill, and I ask him to await its introduction into this Assembly.

* (1350)

Privacy and Confidentiality Committee Membership

Ms. Diane McGifford (Osborne): Madam Speaker, I might suggest to the Minister of Health that he could borrow my B.C. file on privacy protection legislation.

Today we have registered the Manitoba Medical Association's concerns regarding SmartHealth, especially their fears with regard to security and confidentiality of individual medical records and the possible privatization of these records.

To the Minister of Health: I would like the minister to explain why, though the HIN privacy and confidentiality committee has been struck and though the Manitoba Medical Association has repeatedly asked to have representation on this committee, have they just as repeatedly been refused membership on this committee. They are the stewards of the records—

Madam Speaker: Order, please.

Hon. Darren Praznik (Minister of Health): Madam Speaker, if the member for Osborne would check her British Columbia file, she would probably find out that British Columbia, as every other province except

Manitoba, is not advancing into information technology as we are in this province. We are in the leading edge with the SmartHealth project in developing probably the first comprehensive project of its kind. When you are dealing with such a large, massive change and use of new technology, many of the issues arising around confidentiality are very different than in the traditional form. So I think if she would check the details of her file she would find, like her Leader, she is not correct.

Madam Speaker, with respect to this committee that was struck some time ago, it is my understanding when it was struck by my predecessor that the various stakeholder groups would be represented, and I believe rightly so, by their professional body, not by the organization that negotiates their salary.

You are right. Physicians are the stewards. They are also represented by their professional disciplinary body, the College of Physicians and Surgeons.

Ms. McGifford: Given that the government will—

Some Honourable Members: Oh, oh.

Ms. McGifford: Madam Speaker, I am attempting to ask a question.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable member for Osborne, to pose a supplementary question.

Ms. McGifford: Thank you, Madam Speaker. Given that this government will in the near future be tabling privacy legislation regarding health information protection, is the request to allow the Manitoba Medical Association a place at the table indicative of the stubborn resistance to input that we can expect once the legislation is tabled?

In other words, will the government—

Madam Speaker: Order, please. The question has been put.

Mr. Praznik: Madam Speaker, if there is one lesson to be learned in the comments of the member opposite, it

is that you cannot ad hoc every time some group says they are not at the table.

Madam Speaker, a very conscious decision was made when that committee was struck that the professional bodies—and physicians are not the only players in this. There are other health care providers whose professional bodies are represented on this committee. It is professional bodies that are important, because they have the power to license and discipline. I do not know if the member for Osborne appreciates that.

The member would like more detail. I can tell the member that I have scheduled a meeting with the committee, which includes the professional bodies. I believe we are meeting next week. I am going to be providing them with the latest legal wording around many of those provisions. I want their input. Many of these decisions are in the final stages of conclusion, before we have a bill that I can bring to this Legislature.

So, Madam Speaker, I am personally involved in this consultation. We are meeting with that committee, and I want to make sure that the stakeholders are comfortable with this legislation.

Ms. McGifford: We are talking about putting patient records—

Madam Speaker: Order, please. I am certain the honourable member would like her comments on the record or question on the record.

The honourable member for Osborne, with a final supplementary question.

* (1355)

Ms. McGifford: Thank you, Madam Speaker. I would like to ask the minister today to assure Manitobans—and I want to quote from Dr. Ulyot—that the possibility of any arrangement, other than public ownership of individual persons' private information, is outrageous or, in other words, out of the question.

Mr. Praznik: Madam Speaker, the member says only public ownership. What about private, individual ownership of my own health records? That is another possibility.

Madam Speaker, those are the issues that this committee is considering. I can assure the member that it is our intention to have leading-edge, strong legislation to protect the health records of Manitobans.

Madam Speaker, it is very regrettable that the member for Osborne has yet to recognize that the physicians of this province are properly represented in this process through their professional body, which will be the body that can discipline them should they breach the professional ethics in the release of records now. It is not the MMA: they are only their negotiating body for fees.

Violent Deaths—Children Investigations

Mr. Doug Martindale (Burrows): Sophia Schmidt, Nadine Beaulieu, Megan Ramsay, Crystal Colomb, Randy Sherwood, Devon Cook—Madam Speaker, this is a partial list of children who have died violently at the hands of adults. What they have in common is that they all died in 1996.

The Children's Advocate has recommended a formal public review of all recent child deaths to examine the circumstances leading to the deaths of these children. Will the Minister of Family Services support this recommendation of the Children's Advocate, and will she call for a full public review, as recommended by the Children's Advocate, so that more children will not die?

Hon. Bonnie Mitchelson (Minister of Family Services): Madam Speaker. I thank my honourable friend for that question. I take very seriously, as does our government, any issues surrounding the death of any child in our province. I do know that we have been through a fairly lengthy court process on one of the recent child deaths, that being baby Sophia Schmidt. I know that the Chief Medical Examiner has called a public inquest into that death. I will not rule anything out at this point in time, but I do want to indicate very seriously that we want to understand what the causes of the deaths are. We want to try to prevent any future deaths.

Mr. Martindale: Will the Minister of Family Services implement her own government's report entitled

Families First which calls for the establishment of a system for independent investigation into allegations of abuse by caregivers? This is her own government's document. She has written a covering letter in this document. Will she implement her own—

Madam Speaker: Order, please.

Mrs. Mitchelson: Madam Speaker, I can indicate to my honourable friend today that, indeed, in order for that to take place, there will need to be legislative amendments. We will be bringing legislation in this session.

Recommendations

Mr. Doug Martindale (Burrows): Can the Minister of Family Services tell the House if that legislation will include an item that she commented on on April 11 last year when she said that a partial release of recommendations contained in confidential child-death reports submitted to her by the Chief Medical Examiner would be made public in cases where there was no conflict with any criminal charges? This is something that she said she was going to do. Will the amendments to the legislation actually do it?

Hon. Bonnie Mitchelson (Minister of Family Services): I want to indicate to my honourable friend that we are in the process right now of compiling that information for public release.

* (1400)

Shelter Allowances Indexing

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is for the Minister of Housing. At the onset, I would state that one has to question this government's commitment to our two shelter allowance programs for seniors and for families and quote specifically from a letter that I received just about an hour, an hour and a half ago. In this particular case, it states: In my case, in 1989 my rent was at \$290 a month, and my SAFFR allowance came to as high as \$82 a month. My rent has steadily gone up since 1989, and it is now \$350 a month. At the same time, my

SAFFR has steadily decreased from \$78 to \$72 to \$68 and now stands at \$54.53 a month.

My specific question to the minister is: Why has this government not acknowledged the need to index these two valuable shelter programs?

Hon. Jack Reimer (Minister of Housing): Madam Speaker, I should point out to the member that, in relation to the subsidies and grants that are associated with the SAFFR and SAFER programs, it is based upon the income that the individual has at his or her disposal. The grant is adjusted. If income is going up by that individual, the grants would naturally come down. They will not stay in a fixed position, and the individual will have his or her income increasing. So that is a natural progression. If the income goes up, the grant goes down. It makes sense to me.

Mr. Lamoureux: Madam Speaker, I am glad to see that that makes sense to the Minister of Housing. I would ask the Minister of Housing, using his logic then: Will he acknowledge that individuals on fixed incomes in future years will in fact receive increments that increase to match the cost of living so that, as their incomes remain relatively the same and the expense continues to go up, in fact they will be indexed so the senior or the low-income family is not going to be put into a further handicapped position?

Mr. Reimer: Madam Speaker, I am just trying to get the logical sequence of the events that are put before me. If the income remains the same, the grant remains the same. If the income goes up, it will be adjusted. I mean, if the income goes—it just seems a natural progression. I do not know how else I can explain the logistics behind it. If the grant goes down—it is not a one-way street. The grants are tied into income. If the rent and the income—if the income is going up, the subsidy will go down. I will say it a little slower next time.

Mr. Lamoureux: What we are asking is the Minister of Housing to acknowledge the fact that the shelter allowance programs are in fact of great benefit as an alternative to nonprofit housing stock. The problem is it is not being indexed on an annual basis. The simple question is: Is the government prepared to index it so that this way individuals on low incomes, fixed

incomes, like seniors and low-income families, will in fact be subsidized so you are not forcing them in an indirect way into nonprofit housing which will cost the government more money?

Mr. Reimer: I will try to explain it again. I will concede to the member that it is a very beneficial program. We have had great take-up with the actual numbers of participants. In fact, what I could indicate to the member is that actually the numbers of clients have declined in the amount of monies that have been put into the program. I should point out that back in 1993-94 there were 850 clients on the SAFFR program. In 1997, there are 790. So the clients are going down. The program is still a very effective use, but it is tied into the logical progression that if the individual income is going up, then our grants will be going down. Now it can only work in that type of relationship.

As to the indexing, we have not looked at that as a consideration. All those decisions are made during budgeting of a process through our department, and we can look at it in our next budgetary process.

Shelter Allowances Indexing

Ms. Marianne Cerilli (Radisson): We are concerned that this government has cut a half million dollars from the Shelter Allowance for Elderly Renters and the Shelter Allowance for Family Renters.

I have a letter from the Manitoba Society of Seniors that is recommending that a minimum claimable rent figure and the income levels for the seniors' program annually be reviewed and indexed to rise with the consumer price index. Now that was sent to the minister back in 1992.

I want to ask the Minister of Housing if that has been reviewed and what response they have given to the Manitoba Society of Seniors of making the seniors' rent program more fair to seniors.

Hon. Jack Reimer (Minister of Housing): I thank the honourable member for that question, because it gives me a chance to put on record the fact of what was brought up before and has been alluded to today in regard that there has been a decrease in the budget.

The relationship between the applications and the budgetary items is what is brought forth for consideration at this time. When we do our budget, we put in a projection based on previous pickup of applications from the prior year.

In looking at our budget, we put in a figure for '96-97 of 850 clients. The actual pickup on it was 760 clients. That is why the member is referring to a decrease—I think she mentioned something like \$200,000 or \$300,000—in the program. If the clients are not there and the pickup is not there, naturally that money is not going to be utilized. So it is not a decrease.

Ms. Cerilli: I want to ask the Minister of Housing very simply: Given that seniors have their pensions indexed, will he also index the program for seniors' rent supplement so that they do not lose their entire pension benefit to this program when it is taken back from their rent supplement?

Mr. Reimer: The basis of this whole program is a rental supplement. It is a program that has proven that we can help with the SAFFR program and the SAFER program for elderly people who are renting. We have had good take-up on this. We continue to support it to a tune last year of just over \$1.2 million. We had budgeted \$1.5 million. The pickup was not entirely there based on the figures that we had anticipated, so naturally there is a decrease in that budget line. But that does not mean that there was money that was not available for expenditure. The applications did not warrant the additional funding.

Sheriff's Officers Security/Safety Concerns

Mr. Gord Mackintosh (St. Johns): My question is to the Minister of Justice. After two prisoner escapes from the custody of sheriff's officers within just over a year, we became aware of serious safety concerns in the Sheriff's Office and asked the minister at the time to provide me with the recommendations from an internal review following the last escape in January of '96 to oversee the department's follow-up.

My question to the minister is: Given my information that line officers have no knowledge of the implementation of the 10 recommendations or of

significant improvements—that is over a year later—will the minister provide those recommendations today and tell us, in his view, how many of those recommendations have now been fully implemented?

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, I am not about to interfere in the decision of professionals relating to workplace safety and health issues. There in fact is a Workplace Safety and Health committee at the courthouse that deals with these issues. If there is any particular issue that is still outstanding, it is open for any employee. Indeed, it is open for a Workplace Safety and Health officer to make recommendations and look at any security issues. I am more than happy to co-operate in any respect.

Mr. Mackintosh: Would the minister, who was posed with a serious question of public safety and procedures and protocol staffing his own department, just tell this House how many of those recommendations in his view are now in place, given that all but two of those recommendations were to have been in place last week?

Mr. Toews: As I have indicated, I, unlike the member for St. Johns, am not about to interfere in professional decisions relating to workplace safety and health. If there are outstanding workplace safety and health issues, there is an appropriate forum. If there are any outstanding ones that have not been dealt with and the Workplace Safety and Health committee says that they should be implemented, we will take a look at that.

*(1410)

Mr. Mackintosh: Would the minister acknowledge that we have seen this scenario just over a year ago and earlier than that when requests were made of the minister to get involved in the department? Would the minister now acknowledge that having responsibility and accountability for safety in his department is not a matter of interfering? It is his department. It is his officers' safety.

Mr. Toews: Madam Speaker, I recognize what my responsibilities are. My responsibilities are to assure the public and to assure sheriff's officers that there is an appropriate system and to ensure that that system is a safe one as far as can be reasonably expected as The

Workplace Safety and Health Act says. I am committed to that process. I am committed to the safety of my sheriff's officers. I am committed to the safety of the public.

Regional Health Authorities Postponement

Mr. Stan Struthers (Dauphin): Madam Speaker, my question is for the Minister of Health.

In January the Minister of Health was told loud and clear by municipal leaders in Dauphin that he was going too fast with his plans for regionalization and that they should be delayed. They were not well thought-out. At least at two meetings in Dauphin, two huge meetings, concerns were expressed about this government's plans for regionalization. Last night the governors of the Dauphin Regional Health Centre voted not to join the Parkland Regional Health association.

Does the minister now realize that he should delay the plan for regionalization to allow rural Manitobans the time we need to understand this government's plans?

Hon. Darren Praznik (Minister of Health): Madam Speaker, first of all with respect to the Dauphin hospital, I was there at their meeting last night. Let us remember, I think all but one of the members of the board of directors voted to evolve. That was their recommendation to the board of governors. The governors met; I believe there are 43 governors. To become a governor I believe you buy a membership for \$5 on an annual basis. There are 43 such citizens with that position in Dauphin. Of those, 26 voted. Sixteen of the governors voted to evolve into the regional health authority; 10 did not. It required a two-thirds vote. So the minority of governors have chosen to continue to govern and that is their responsibility. They shall govern.

Dauphin General Hospital Deficit Funding

Mr. Stan Struthers (Dauphin): The minister knows that the rules were followed all around. What is he going—

Madam Speaker: Order, please. The honourable member has a question, I am sure.

Mr. Struthers: How can the minister tell the town councils and the R.M. councils in Dauphin that they are now going to be responsible for the debt carried by the hospital when he has got the money, he obviously has the money? How can he now take that money off the table just because they will not join his Parkland Regional Health Authority? That is heavy handed and that is blackmail.

Hon. Darren Praznik (Minister of Health): The meeting I attended last night was a public meeting. The member for Dauphin, I gather because of his commitments in the House, was not able to be there. But, Madam Speaker, when the issue of the debt came up, the offer by us to facilities that entered the RHAs—that we would cover the entire deficit; otherwise, the regular process begins. The Dauphin General Hospital or the Dauphin Regional Hospital will then—and in fact has appealed many of their issues with Manitoba Health. They are in the process of negotiating, and the regular status quo pre-RHA process will continue. If there are parts of that deficit that were unforeseen, they will be considered for coverage; those that are not, the hospital will have to manage that. As the member knows, in Dauphin the municipality is not the constituent body, it is in the governors, and it will be their responsibility to deal with whatever part of the deficit is not covered.

Eaton's Closures Minister's Briefings

Ms. Becky Barrett (Wellington): Madam Speaker, the Minister of Urban Affairs (Mr. Reimer) in Estimates this week stated that his assistant deputy minister was a member of the multidepartmental committee looking at the potentially catastrophic closure of Eaton's stores in Winnipeg and Brandon. When I asked the minister to provide me with an update on the work of this committee, excluding of course anything that was of a sensitive nature, he unbelievably replied that he did not know. He had not been briefed or asked for a briefing from his assistant. Today we learn that there have been—the catastrophe begins with 120 layoffs.

I would like to ask the Minister of Urban Affairs: Does he wonder that the people of Winnipeg have no confidence in this government's commitment to their community when he does not even take the time to be briefed by his staff on an issue that has an enormous social and economic impact on the city of Winnipeg, the city he is responsible for? If he does not want to answer, maybe the Premier would like to answer for once today.

Hon. Gary Filmon (Premier): Madam Speaker, I cannot believe that the member for Wellington has the audacity to now come crying about Eaton's having difficulty in Manitoba when her predecessor, the member for St. James as he was at the time, the New Democratic Minister of Labour, went out publicly and cut up his Eaton's card and urged everybody in Manitoba to stop shopping at Eaton's. You reap what you sow, because then when you tell people not to shop at Eaton's and their business drops, that is what happens. People lose their jobs.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, Beauséjour 417 is quite clear that—

Madam Speaker: On a point of order?

Mr. Ashton: On a point of order, Madam Speaker, most definitely—answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate. First of all, I would note that the question that was raised with regard to what this government is doing, if anything, to deal with the very serious situation involving the anchor stores with Eaton's, and second of all, I wonder if you could perhaps remind the Premier that this is 1997, not 1987, and he is supposed to be the Premier and should expect to accept some responsibility for trying to save the Eaton stores in Winnipeg.

Mr. Filmon: Madam Speaker, on the same point of order, when people cut up their credit cards and urge people not to shop at a place, that destroys jobs and that is precisely the point that the New Democrats are doing here. They are the ones who destroy the jobs, and then they try and cry over it.

Mr. Gary Doer (Leader of the Opposition): On the same point of order, Madam Speaker, the Premier should, in following our rules, point out that Eaton's expanded in the 1980s and unfortunately may be leaving under his stewardship, which is a tragedy.

Madam Speaker: Order, please. I will take the point of order raised by the honourable member under advisement and report back to the House.

* * *

Madam Speaker: Time for Oral Questions has expired.

* (1420)

Speaker's Rulings

Madam Speaker: I have two rulings for the House.

I took under advisement a point of order raised during Question Period on October 29, 1996. The honourable member for St. Johns (Mr. Mackintosh) had posed a question to the Minister of Justice containing the phrase "did she," meaning the minister, "deliberately mislead this House." I had asked him to withdraw the words because they have been ruled to be unparliamentary. The honourable member for St. Johns then raised a point of order to which both House leaders spoke. I undertook to review Hansard to examine closely the context in which the words were used.

I would reference two recent decisions of Manitoba Speakers where the words "deliberately misleading" were ruled to be unparliamentary: Speaker Rocan on July 12, 1991, and by this Speaker on October 17, 1995.

Having reviewed the Hansard with care to look at the context in which the words were used by the honourable member for St. Johns in reference to the honourable Minister of Justice, I am still of the opinion that the use of the words by the honourable member for St. Johns were unparliamentary, and I am calling upon him now to withdraw the words "deliberately mislead."

Mr. Gord Mackintosh (St. Johns): The Hughes inquiry speaks much louder than me, Madam Speaker. I will withdraw the word "deliberately."

Madam Speaker: I thank the honourable member for St. Johns.

During Question Period on October 29, I took under advisement a point of order raised by the honourable member for St. Johns in which he stated that the honourable Minister of Justice had imputed unworthy motives to him when she said "but my concern is for the member for St. Johns who continues to use this very tragic issue to advance his own political agenda."

I would like to reference two recent rulings, May 2 and May 8 of last year, as relevant precedents. In my opinion, on October 29 the Minister of Justice did indeed contravene Beauchesne Citation 481(e) which reads that a member must not impute bad motives or motives different from those acknowledged by a member. I would ask the minister to withdraw the comments in question.

Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship): Madam Speaker, certainly, according to your ruling, I will withdraw those comments.

Madam Speaker: I thank the honourable Minister of Culture.

NONPOLITICAL STATEMENTS

Vimy Ridge—80th Anniversary

Ms. Jean Friesen (Wolseley): May I have leave to make a nonpolitical statement, Madam Speaker.

Madam Speaker: Does the honourable member for Wolseley have leave? [agreed]

Ms. Friesen: I would like to ask all members of this House to join us in remembering the 80th anniversary of the Battle of Vimy Ridge. At 5:30 a.m., 80 years ago, the 20,000 young men of the first wave began their assault on the great hill of Vimy which rises steeply out of the flat plains of northern France. The battle lasted for three days and nights. It cost the lives of 3,598 Canadians and was only one of many such slaughters of the First World War whose names are written on monuments across our province—in Dauphin, in Gladstone, on Broadway, Neepawa and in St. Andrews.

But the name of Vimy resounds throughout Canada's history. It was the first time that Canadians had fought together as a new nation, and the taking and holding of that position was bought dearly. Vimy has been to Canadians as Gallipoli is to Australians and as Beaumont Hamel is to the people of Newfoundland.

In my own community, an older generation renamed our park for Vimy. Annual memorials are conducted. In Manitoba on those occasions we do remember the regiments from western Canada composed of aboriginal people, Japanese Canadians from British Columbia and the thousands of Canadians who, in many cases, were recently arrived from Britain or other parts of Europe. We remember, Madam Speaker, the Princess Patricia's, the 78th Battalion of the Winnipeg Grenadiers, Winnipeg's 44th Battalion, the 27th Battalion known as the City of Winnipeg and the 8th Battalion, the Little Black Devils.

Many of those young men never returned, but all of them saw the faces of battle that morning 80 years ago. Private William Peckover, a 20-year-old Manitoba school teacher remembered his City of Winnipeg Battalion moving forward in the full light of that clouded April morning:

We learned full well, he wrote in his diary, the nature of the great modern battlefield. This was war where the wounded, friend and foe alike, lay everywhere about in the cold, wet mud, silent and helpless in their agony or crying out for help to the stretcher bearers who fanned out behind the attacking waves. Just ahead of us, he wrote, roared the barrage and all the fury of the fight, the death rattle of the machine guns bursting overhead, shrapnel and counterfire from the enemy guns, all of the fiendish implements of death that man had devised. In contrast, the conquered area through which we passed seemed strangely quiet. Here death reigned, only the agony of pain.

Madam Speaker, at the going down of the sun and in the morning, we do remember them.

* (1430)

Hon. Linda McIntosh (Minister of Education and Training): May I have leave to make a nonpolitical statement, Madam Speaker?

Madam Speaker: Does the honourable Minister of Education have leave to make a nonpolitical statement? [agreed]

Mrs. McIntosh: I would like to speak as well on the Battle of Vimy Ridge and the things that happened at that time and the debt of gratitude we owe to a whole host of people, many of whom are gone, some of whom still remain. One of those men was my grandfather, Allen George Hopper, who fought in the Battle of Vimy Ridge, was subject of an attack by a hand grenade, had his lung blown out, one arm left hanging, was hauled into the trenches, maggots were put on the wound to prevent gangrene from spreading through his body, leaving his arm subsequently somewhat intact, crooked but dangling for the rest of his life, breathing problems, and a number of other things that occurred for the rest of his life and died probably about 20 years earlier than he would have because of the debilitating results of having been in that war.

Coming from a military family as I do, with grandparents and parents who have always stood ready to give their lives for Canada, to sacrifice their lives for Canada, who spent their whole careers prepared to die for this country and the freedom that we have in this Chamber to govern or to be critical of government, I feel a very special bond to the people like my grandfather.

When I was 10, I went with my grandfather to Vimy. We crawled down into the trenches. We went through into the trenches. We went through many of the caverns under the fields where my grandfather had been for weeks and weeks and weeks, showed me the place where they cut off his boots because his feet had become so swollen with water he had trench foot, as many of the soldiers there did, and walked up to the monument and went to many of the places where some of the things that the member for Wolseley (Ms. Friesen) was reading about in that young man's diary were.

I relived with him vicariously what he had been through and learned from him that there are some things that are worth dying for, and there are some things that are worth standing up for and that freedom in Canada should never be treated frivolously or in a way that does not honour our ability to govern or to be critical of government.

So, in my constituency, we have a street called Vimy. We have an arena called Vimy. I think I never drive down those streets without thinking of my grandfather and the people like him and the people who came after him in subsequent wars that kept our nation the great nation that it is. So I just want to say on this day, I hope that we will always remember and not forget the price that was paid for the freedom that we have and not treat our freedom lightly.

Committee Changes

Mr. Edward Helwer (Gimli): I move, seconded by the member for Turtle Mountain (Mr. Tweed), that the composition of the Standing Committee on Public Utilities and Natural Resources for 10 a.m., Thursday, April 10, be amended as follows: the member for Pembina (Mr. Dyck) for the member for La Verendrye (Mr. Sveinson); the member for Minnedosa (Mr. Gilleshammer) for the member for Riel (Mr. Newman); the member for Turtle Mountain (Mr. Tweed) for the member for St. Vital (Mrs. Render).

Motion agreed to.

Mr. George Hickes (Point Douglas): I move, seconded by the member for Broadway (Mr. Santos), that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: Transcona (Mr. Reid) for Thompson (Mr. Ashton); Elmwood (Mr. Maloway) for St. James (Ms. Mihychuk); Burrows (Mr. Martindale) for Crescentwood (Mr. Sale), for Thursday, April 10, 1997, at 10 a.m.

Motion agreed to.

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Madam Speaker, I move, seconded by the honourable Minister of Education and Training (Mrs. McIntosh), that Madam Speaker do now leave the Chair and House resolve itself into a 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

LaVerendrye (Mr. Sveinson) in the Chair for the Department of Housing; and the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Natural Resources.

COMMITTEE OF SUPPLY (Concurrent Sections)

HOUSING

Mr. Chairperson (Ben Sveinson): Order, please. Good afternoon. Will the Committee of Supply please come to order. This afternoon the Committee of Supply will be resuming consideration of the Estimates for the Department of Housing. When the committee last sat, the minister had just started to give his opening statement. I now call upon the minister to resume his statement.

Hon. Jack Reimer (Minister of Housing): Thank you very much. What I was in the process of talking about yesterday was in regard to the bringing out, for example, the Gilbert Park Tenants Association and the role that they played in the project. I will just continue on that same vein.

An entirely different range of challenges requires our attention in elderly housing where a recent analysis revealed that over 15 percent of the tenant population is age 85 years or older. It is further estimated that the proportion of persons of retirement age will continue to increase well into the next century, with the fastest growing segment being those 75 years of age and over. This represents an increasing demand in terms of support services required by these tenants.

The aging of the population has major implications for both the Department of Housing and the Department of Health. Elderly persons housing projects are faced with aging tenant population who are becoming increasingly frail and the lack of services necessary to permit aging in place may be a significant factor in our elderly housing vacancy rates. At the same time, the health care system is faced with growing pressure, and long-term and acute care facilities by the elderly, as well as increasing home care demands and costs. The department is continuing to provide noon meal programs where space and facilities exist. In congregate meal programs that operate independently

of Manitoba Housing have been given access to the kitchen facilities in elderly projects in rural communities.

* (1440)

Space for health clinics and for home care workers has been made available in certain projects for the benefit of residents. As well, the tenant resource program, which is available in a number of elderly projects, provides tenants with the necessary assistance to identify their service and care needs and to refer them to the appropriate service provider.

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

With the continued and increasing needs of our elderly tenants, however, we recognize that these initiatives might not be sufficient to meet the needs of our tenants. Therefore, Manitoba Housing is working in conjunction with the Department of Health in the development of an assisted living pilot project to meet the current needs and the potential of future needs of our aging tenant population. Assisted living can be roughly defined as housing with the provision of support services, such as meals, housekeeping and laundry. In addition to these services, the departments are also looking into providing 24-hour supervised assisted living units in elderly housing projects to accommodate elderly persons awaiting placement in long-term personal care facilities.

While the introduction of assisted living in Manitoba Housing, buildings may require some investment in terms of apartment and building upgrades, it is also likely that an assisted living project targeted to more independent seniors on a pay-for-service basis would enhance the marketability of older projects and result in decreased vacancy rates.

In mentioning older projects here, another challenge faced by this department is introduced: the age of the social housing portfolio. Over 62 percent of the social housing units in Manitoba were built prior to 1978. Proper maintenance of the physical structure of our housing projects is important, as this is the asset through which we provide our services. Further, this

asset represents a considerable investment on the part of the people of Manitoba. Unfortunately, the age of the projects leads to increased maintenance costs at a time when responsible government is looking toward measures by which fiscal economies and savings can be realized. It is important, therefore, that maintenance funds are expended wisely. There are long-term benefits associated with the appropriate and timely expenditure.

Through the use of information technology, we will be establishing short-, medium-, and long-term maintenance plans. In this way, maintenance requirements can be prioritized and financial planning will enable us to address these maintenance needs.

Additional savings potential to be explored include initiatives that would result in future savings such as expenditures on low-maintenance building components and initiatives to improve the efficient use of energy. Similarly, preventive maintenance will promote a longer useable lifespan for our projects and will maximize the effective uses of our housing assets. In these ways and in other ways yet to be examined and implemented, we will make the most efficient use of our maintenance dollars without sacrificing the continued provision of safe and adequate accommodation for households in need.

Without a doubt, however, the major challenge facing the department at this time is our changing relationship with the federal government. The department has been and continues to be heavily influenced by federal housing policy. Following its January 1, 1994, withdrawal from new commitments to social housing, the federal government formally offered to the province management responsibilities for the entire social housing portfolio in Manitoba in March of 1996. The total federal portfolio which has been offered for transfer to the province consists of 17,500 units developed under several program and funding arrangements. This means that when combined with the approximate 18,500 federal-provincial cost-shared units which are directly managed by the province, acceptance of the federal portfolio would nearly double the number of units under provincial administration.

As a condition of this devolution proposal, the Canada Mortgage and Housing Corporation announced

that its annual funding share for the social housing portfolio would be limited or capped based on 1995-1996 expenditure levels. This funding allocation will be reduced in subsequent years of operations as project commitment and subsidy agreements mature and reach their expiry date.

In addition to the subsidy cap monies, CMHC proposes to provide two lump sum payments to the province. The first lump sum is intended to act as the province's mortgage insurance fund, as Manitoba will require to assume CMHC's loan exposure for an outstanding mortgage commitment in the federal portfolio. The second lump sum is an allowance for risks associated with future increases in costs due to inflation and changes in interest rates.

Part of the due diligence on the part of the province, therefore, is to ensure that the funding allocations proposed by CMHC will be sufficient for the ongoing operation of the social housing portfolio. The department is currently undertaking a complete and detailed assessment of the social housing portfolio and is involved in ongoing discussions with other provinces and with CMHC. Recommendations regarding the federal devolution proposal are still under consideration through this 1997-98 fiscal year.

While CMHC would prefer that all provinces accept their devolution proposal to enable the federal government to completely remove itself from ongoing involvement in the social housing field, we are not prepared to make a hasty decision at this time on this matter. This is not a challenge that this department takes lightly.

The conclusion of our analysis of the federal proposal and our negotiations with CMHC will fundamentally change the policy environment for social housing in this province. The final decision in this matter will ultimately determine our future role and the responsibilities in the management and the operation of social housing portfolio in Manitoba. The Department of Housing recognizes that housing is an integral part of the social and economic development of this province and that adequate and affordable housing has a fundamental influence on the health and the well-being of individuals and the community as a whole.

Through our ongoing commitment and involvement, the department will continue to address the challenges that have been described while accepting our responsibility for ensuring that the fiscal goals of this government are realized. Thank you, Mr. Chairperson.

The Acting Chairperson (Mr. McAlpine): I thank the honourable minister for those comments. Does the official opposition critic, the honourable member for Radisson (Ms. Cerilli), have any opening comments?

Ms. Marianne Cerilli (Radisson): Perhaps just a few comments to outline some of the issues that I hope to discuss, especially after just listening to the minister's opening statement where he is talking about the ongoing negotiations with the federal government regarding the devolution.

It is something that I have tried to follow, and now he is saying that they are being cautious and considered, but I understand that this past April 1 was one of the deadlines that they had wanted to meet in terms of having an agreement. So it is interesting now that they have decided that they are not going to meet that deadline and that they are going to take a further considered approach to this.

I know that I have written him letters responding to concerns by some of the social housing managers about the hasty approach that they were taking in doing what staff were terming drive-by assessments of the portfolio that is currently managed by CMHC and the concern that the community has not been involved in this process, this from the information that he has given me about the way that the federal government is going to flow the money into this agreement. I will follow up that with more detailed questions.

* (1450)

The information that he has put on the record, that it is going to be approximately 17,000 units that is currently in the CMHC administered portfolio, that is a little bit more than I had thought that it was. So I am curious when he said that this is going to influence the entire future management of Manitoba Housing Authority, and I am curious to get into a little bit more detail about what that means.

I guess, generally, I think that it is not given the recognition that it is due, the very large asset that we have in terms of the public resources invested into housing, social housing, public housing, and I think that most families would recognize that housing is their largest expense, and it is very important to families.

The minister has sort of alluded to recognizing the effect that housing has on communities, on families, on individuals, and yet I am concerned that that is not necessarily reflected in this budget. I am concerned that the government does not seem to really have a plan or a vision in terms of how housing can be used to alleviate the growing gap in terms of income levels in Manitoba, the gap and the increase in poverty, the disparity in the standard of living that has continued to grow under this government in the province of Manitoba. You know, there are some improvements, too, in the area of housing on the economic side of things with an increase in housing starts, but I think there is a continued deterioration in the quality of housing for the majority of people in the province.

I will get into some detail about some of the internal changes in the department. I understand that there has been a lot of activity in dealing with personnel. I am concerned about the staffing reductions and the fact that a number of positions have not been filled that I think are crucial, and I do not understand why there is a continuing erosion in some of those key positions.

Particularly when I was talking about the increase in the disparity, I wanted to mention that just in this budget alone there is almost three quarters of a million dollars being eliminated just from the rent supplement programs. Those were issues that I have raised in the House today and yesterday in Question Period, that overall the budget has been reduced by 7.4 percent. It is over \$3.5 million, and almost a million dollars of that has come out of the rent support program.

So I am concerned about the way that those programs have been underutilized, and, again, it just does not seem that the government has really tried to assist families by promoting those programs. So we will get into that in a little bit more detail.

I am particularly concerned about the area of research and policy development in the department. It seems

like that division has particularly been hard hit by the staffing reductions, and I find that is kind of ironic when we are in the middle of this major negotiation with the federal government, and that is one of their responsibilities, is federal-provincial co-ordination.

The minister in his opening statement has also talked a lot about the challenges for the elderly who rely on social housing and public housing in the province and that we have an aging population, and I am concerned that there has not been. I do not think, any real housing needs assessment done for the province, and that is also one of the concerns I have about the research and planning area being reduced as the government has just embarked on this program in principle. They are drafting legislation for the city's tax rebate for new home construction, but it is all single-family dwellings, and I am concerned that that is not necessarily where the greatest need is in Winnipeg and Manitoba for new housing. It is housing for seniors, and as the minister has said, they are looking for a variety of services attached to their housing.

I know in my own constituency there are four apartment blocks on Plessis Road that were not built as seniors housing. They were constructed just as regular apartment blocks. Some of them are being converted to condos, but they are almost entirely filled with seniors, and I know that in certain areas there is a real need for seniors housing. I am concerned that while they are going ahead with agreements with the city to develop more single-family dwellings, they are not giving enough attention to co-ordinating with the Department of Health and to really looking at a broader range of housing to meet the needs of aging seniors.

This is something that they may think they are dealing with with one pilot project. I know last Estimates I spent quite a bit of time in dealing with the problems the department is facing of trying to fill the vacant suites in its seniors apartments with mental health patients who are now outpatients released from some of the mental health institutions, and that has been sort of an ongoing difficulty. So I am concerned that while they are perhaps undertaking one small pilot project, that really there is not the broader attention being given to how Manitobans now can have their needs addressed in terms of housing, particularly for seniors.

We will get into some of the details, as well, about the ongoing problems with management of an aging housing stock that is managed by the Manitoba Housing Authority. I have had brought to my attention some of the points the minister has raised in his opening statement about the slowness with which his Housing Authority has moved in terms of energy conservation and water conservation and to look at some purchasing and how cost savings are being realized in the whole area of managing the finances for the Manitoba Housing Authority.

So with that, I think I will just end off and ask the minister to invite the staff to the table so we can get at it.

The Acting Chairperson (Mr. McAlpine): I thank the honourable member for those comments.

Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department, and, accordingly, we shall defer consideration of this item and now proceed with consideration of the next line.

Before we do that, we invite the minister's staff to join us at the table, and we ask the minister to introduce his staff present.

Mr. Reimer: Joining us at the table is the Deputy Minister Mr. Bill Kinnear, Mr. Henry Bos from our financial department, Mr. Ron Fallis from the Manitoba Housing Authority, Joan Miller, our policy analyst, and Linda McFadyen from Research and Planning.

The Acting Chairperson (Mr. McAlpine): I thank the minister for those introductions and we would now proceed to line 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$576,800.

Ms. Cerilli: I guess I just want to clarify with the minister if it is okay with him if we take a similar approach as we did last year where I think we had a more wide-ranging discussion, not necessarily just going line by line. I am also doing that considering some of my colleagues I know want to come and ask some questions related to their constituency dealing with Housing. So I want to sort of leave it open for

them to be able to come in as they are able to. So I would appreciate that. I know that last year we were at the tail end of Estimates, and I wanted us to get up early this time so we could get the consideration that is warranted for this department and get the time in. So I am just wondering if you would consider that.

Mr. Reimer: I have really no problem in sort of having an open discussion on the department. I think the member should recognize that I have limited people at the table with me right now for resource for questions, and there are some questions that may be asked that the proper staff or the proper information may not be here with us right now because of the fact that we will be moving back and forth throughout the whole department. I would think if she is agreeable that we can possibly find the information for her, relay it to her at a further time, that is possible.

I know I had that arrangement with the member for Wellington in Urban Affairs committee of Estimates and when I told her that I did not know the answer, all of a sudden she brought that up to me as a point of not knowing what was going on in my department, and I found that kind of discouraging that she would do that, with the fact that I had explained at the beginning of the Estimates in Urban Affairs that if the person was not here I may not be able to give her the answer. But I am sure the member for Radisson (Ms. Cerilli) recognizes the situation that we are into right now.

Other than that, we certainly can move throughout any part of the Estimates process.

* (1500)

The Acting Chairperson (Mr. McAlpine): Just for clarification, is there agreement of the committee to have a general discussion with regard to the Estimates of the Department of Housing? [agreed]

Ms. Cerilli: I just want to, further to that, clarify, what appropriation would there be staff that you would call to the Estimates that are not here? Maybe that will help me sort of organize myself.

Mr. Reimer: I am only speculating that in case the research that the staff has brought forward with them at

this time may not be in the books that they have for it, and to get a specific answer they may not have the availability of that information, and that way we can bring it forth at a later date. I would not want to give speculative answers to the member or have staff feel that they had to respond to a question not knowing the full extent of what is implied by the answer.

Ms. Cerilli: I am just wanting to clarify this, because I guess for some of the larger departments in the government like Health or Education where there are a real variety of branches, I think that the ministers will go more line by line because they will only bring the staff for those appropriations that are at the beginning so that they do not have to have all the staff sit and wait when they are not necessarily going to be involved.

So I thank you for that clarification. I think that I will start off though with some questions about Executive Support and the staffing. This is the area that is dealing with personnel services.

One of the things I guess first of all is, I am not quite clear on how the department has a relationship between Housing, Urban Affairs, the Seniors Directorate and the Manitoba Housing Authority. I am not sure if in the last year's Estimates it was reported in the same way, that personnel services for all of those departments are dealt with by the Executive Support through the Ministry of Housing. So is that a change or is that something that has always been that way and I just did not notice it the way that it is laid out this time in the Estimates booklet?

Mr. Reimer: Yes. It has been pointed out that the chain of command in the reporting process is still the same. It is just that the schematics in the comparisons between the two charts from April of '96 and April of '97 appears different, but the reporting mechanism for personnel service still reports as indicated through the chain of command, if you want to call it, on the organization chart. So there is really no difference.

Ms. Cerilli: What I am wanting to clarify though is if essentially what is happening here is Urban Affairs, the Seniors Directorate, have no personnel department or branch of their own, that it is all handled through this Ministry of Housing.

Mr. Reimer: This was part of the reorganization that came about a few years ago in trying to bring the efficiencies of instead of having each department have its own personnel services and financial admittance services, that being of a smaller nature as pointed out by the member for Radisson (Ms. Cerilli), that these departments could amalgamate and utilize the same resources. So this is part of the reasons why each department does not have a definitive line through the personnel services or the financial administration services. So it is more or less a matter of efficiencies because other than the Seniors Directorate, Housing and Urban Affairs work out of the same building.

Ms. Cerilli: Okay. That is just sort of basic clarification then.

Dealing then with some of the staffing changes that are occurring in the department, how many staff have either resigned or been let go from the department in the last year, since the last Estimates?

Mr. Reimer: For the sake of putting a number on it, the number is nine different positions, or people are not there, either through retirement, or some have quit, and some have been replaced or are no longer with us. I know that some of them, in fact I know for a fact that one of them that quit has gone to B.C., our personnel man, Gary Charles. Nine people.

Ms. Cerilli: That was actually going to be one of my questions, because I notice on the bottom here that you deal with 650 to 700 employees, but that does not include the 300 or so with the Manitoba Housing Authority. Is that correct? So this would actually, for the entire department, be over 1,000?

Mr. Reimer: No.

Ms. Cerilli: No. So I guess I am interested in knowing totally all the staff, both with the Housing Authority and with the department itself, how many have either resigned or retired or been fired?

Mr. Reimer: The number that has been referred to, between 650 and 700 employees, are the personnel that are in the Department of Housing, the Department of Urban Affairs, the Seniors, the MHA, the Department of Consumer and Corporate Affairs, the Vital Statistics

agency and the company's office. So those are the areas that personnel services deal with, and they deal in various departments, some of them that I do not have the control of.

Ms. Cerilli: So just to clarify then, how many people are we talking about that are working in the housing area that I am the critic for, including the Housing Authority and the Department of Housing?

Mr. Reimer: That number is between 300 and 350 people.

* (1510)

Ms. Cerilli: Is it safe to say then there are a little bit more than nine that have either quit or retired from that pool?

Mr. Reimer: One of the problems in giving exact numbers is that in the MHA through our caretakers and maintenance people we have about 275 in that area, but there is about a 15 percent turnover rate of people coming and going or quitting. So it is hard to give a definitive number as to what it is today, because of the fact that, like I say, it is a changing number because of just natural turnover and some that move on or quit. So that number would be approximately 275 people.

Ms. Cerilli: So then how many of the individuals that have either resigned or been let go come from management?

Mr. Reimer: I guess I have to look at the two sides, whether it is MHA or Housing.

Ms. Cerilli: Both.

Mr. Reimer: In looking at both, probably about 10 people.

Ms. Cerilli: How many of those 10 positions are still vacant? I know that the Clients Services person is still in an acting position.

Mr. Reimer: The person that I alluded to previously, Mr. Gary Charles, who was the tenant relations officer, I believe was his title, that person who took over that location is on sick leave right now. So that is why there

is no indication of a person in there. So that is where that fits in.

Personnel Services, where Roger LaFleche was before, he quit and went to another company here in Winnipeg, and we have seconded a lady, Ms. Sophie Gaska from I, T and T, to fill that position.

Ms. Cerilli: So it sounds like at least about half of those positions are still vacant, and this is, I guess, one of the reasons I am asking these questions, is I am kind of concerned that there has been a very what I would call large turnover in management, starting with even not too long ago we had a new Deputy Minister.

So I am wanting to see some explanation for that, both for the large turnover in senior management, as well as for why so many of these positions are not yet filled.

Mr. Reimer: I guess it is part of what the member alluded to, some restructuring within the department, and I think that it is a healthy reassessment from time to time that you go through in trying to utilize some of the people who have been in positions and try to move people into various components of the department and move to better utilization of personnel. It is part of a restructuring that we are trying to implement in the Department of Housing, and one of the major components is trying to get a better sense of the purpose and role of Manitoba Housing with the government and the fact of trying to get the individuals, the staff, the tremendous assets that we have in personnel in our department, to better utilize them.

We are in the process of giving more responsibility and delegating decision making on a bottom-up type of analysis of our various departments and getting everybody involved, in a sense, with the budgetary process and with the decision-making process, so that there is a sense of contribution within the department to some of the goals that have been set out by the department in the sense of what type of direction they want to take the Housing department.

I have had very good results from our department, and I will go on record right now as saying that I am very proud of our Department of Housing and the personnel that we have working there in some of the

things and the efforts that they do on a strictly voluntary basis in the sense of trying to satisfy the clients' needs.

One just has to go down to 185 Smith and look at the tremendous response we had at that building during the flood that happened there a couple of weeks ago in which the water main broke in front of the building and flooded it not once but four times in about a three-day period. It was incredible the amount of time and effort and commitment that the staff of Manitoba Housing put forth in trying to assist the tenants of 185 Smith. The basement was flooded with eight feet of muck and goo and shut down everything and the staff responded almost instantaneously, and it was not within just their eight-hour shift. A lot of employees spent 8, 10, 12, 14, 16, 24 and even longer hours in trying to come to a resolve for it.

So I think that it shows that there is a very strong element of responsiveness and personal pride in the department, and I feel that I should foster that in any way I can and try to look for the quality assets of the people involved for movement within the department, and sometimes it means that some people decide that they do not want to be part of that movement or they seek other avenues of recourse for job employment and other people feel that they want to be more involved with the process of change that we are trying to implement in Housing.

So there has been a restructuring, as the member pointed out, but I am very positive in the direction that we are taking and very, very supportive of the staff and the management that I have in place right now that they can do the job and even do the job better. So I think that it is just, like I pointed out, it is a positive initiative for our government, and we are also looking at having staff meetings. We have had meetings in various sectors all across the province, not only here in Winnipeg, because the member is well aware that we have offices in Portage and Brandon, Selkirk, Gimli. We have met with staff. We have met with the executive. We have brought forth resolutions and questions that we feel that they can address and, more importantly, they come back with solutions of being involved. So we talk about, and I maybe mentioned the Winnipeg office primarily, but the staff that we have in all of our regional offices are doing I think a very, very commendable job in trying to come forth with their

good, sound policy for the social housing that we have in Manitoba.

It means some changes, but I think that we have found that we have had more positive response by far as to what we are doing than the old status quo and laissez faire attitude.

* (1520)

Ms. Cerilli: Just to try and focus in right now, even though the minister covered a very broad spectrum of issues in his answer. I am just trying to focus in right now on the staffing in the department and the changes in the staffing, and the minister is saying that that is reflecting some change in direction that is in process, that they are going through these consultations with the staff meetings, and he has also said that some of the positions will become redundant. I am wanting to clarify. I am concerned about a couple of the areas, the fact that the tenant relations management position as well as one of the co-ordinator positions with tenant relations continue to be unfilled, and this is an area that directly bears on the kind of services that are provided through the Manitoba Housing Authority.

So on the one hand you are saying that you want to improve client services in relation to the tenants and deliver a better service and then, on the other hand, those are the very areas where you have vacancies. I do not know how you can explain that. I am wondering if that is one of the areas that is going to become redundant. This is one of the areas that in past Estimates I have tried to make the case for maintaining the staff that are working with tenant relations. So I am wondering if some of those positions as well are vacant, the very front line people who work in tenant relations, because that was one of the other vacancies that I was aware of.

So just first of all in that one area of tenant relations, and I understand that this is with the Manitoba Housing Authority, but I am wondering then too, are they involved in this consultation that is going on with the staff, or is that just with the Housing department people?

Mr. Reimer: Yes, I can say unequivocally that the tenant relations officer is something that I found to be

very, very helpful and a tremendous asset in the department, and it is not our intent to eliminate that position.

If anything, I think that there is an opportunity for an individual—he or she who goes into that particular sector is going to have a real challenge because I am a firm advocate that individual tenants associations can play a tremendous and a positive role in our public housing, and any way that we can foster that type of attitude and utilize a tenant relations officer to encourage that, they have my support because I think that there is an opportunity for the association itself to take charge, if you want to call it, or take ownership of its particular complex or cluster of units or whatever it is to come forth with some very, very positive initiatives.

I alluded in my speaking notes to Gilbert Park, and I have used that scenario quite a few times in other speaking engagements that I have been involved with, and I repeat it in the sense that it is a good news story only because of the fact that it is the people who get involved and the people who make it happen.

So the tenants relations officer will be a very vital part of any type of direction or redirection in which this department will be going because it just includes itself in any type of decision making as to how to make the department and how to make relationships with our clients more beneficial that we do have a strong person in that position.

So we have no intention of eliminating that position. If anything, we would possibly try to enhance it in the sense of trying to make it known that we encourage tenants associations. We support them financially on a per capita basis per complex. I am not sure exactly how much the money is per head, but we find a very great value in that.

Ms. Cerilli: So how long has it been since these positions have been vacant, particularly the management positions where there is someone in an acting capacity, and how much longer are some of these positions going to remain vacant?

Mr. Reimer: The individual who was involved with tenant relations, Mr. Gary Charles, left in September.

In fact, he did such a good job with Manitoba Housing that he got hired away from us to Vancouver by the British Columbia government to go look after their housing tenant relations.

An Honourable Member: City of Vancouver, yes. There he is.

Mr. Reimer: There he is in Vancouver; that is where Mr. Charles is. In that particular position, we are assessing in a sense of trying to promote within our department to try to find an individual to fit those capabilities. We have had a few people involved with it. It is a matter of assessment, I guess, that we are going through right now to put someone in that position on a permanent basis. Hopefully, we can get a stability in there in the next while so that there is a person that can be identified as the tenant relations officer.

One other department that has been eliminated is the finance and operations department with the executive director in that department. That has been eliminated. It was part of the consolidation of the Financial and Administrative Services—it became redundant—so there was a vacancy created by that.

In all areas, we have looked within the department to bring forth people through other various government sectors. The Personnel services as pointed out, Sophie Gaska has come to us from Industry, Trade and Tourism. In our Research and Planning department, Ms. Linda McFadyen was a prior employee with Housing, had the background and experience, gained some more experience with Treasury Board. Here is an example where we felt that we could utilize the services in our department to get the direction that we feel that we can get out of it. So we are building up a team that has the abilities we think to be of great benefit to this for our Housing department.

Ms. Cerilli: Maybe what I am going to do is just go through some of the different positions here, because I understand that there have been other reorganizations, particularly starting off with the Winnipeg District and Housing Authority that now it is divided only into two districts the north and south—three districts? I just want to clarify if all those positions are filled or if some of them, it seems like, are still acting. It seems like lately whenever I phone in to your department, I get a

different phone number. I phone in there and all of a sudden I am hooked up to Education, I am hooked up to all these people that do not have the same phone number. The phone book is useless in your department; it is very frustrating. I am wondering then if you can clarify in the Winnipeg District who are the senior managers for each of the three areas, and if they are permanent or if they are acting.

* (1530)

(Mr. Chairperson in the Chair)

Mr. Reimer: The member was asking for the names and the various sectors here in Winnipeg. What we have got is, the head of the city of Winnipeg is Adrian Deporto. He is acting as the head. Marion Sutherland in Winnipeg 1; Howard Oxer in south Winnipeg. There are two temporary individuals training in the other sector of Winnipeg, which is Winnipeg 2, and also Ron Hall, who looks after all of the rural area. So there are the three areas in Winnipeg and then the rural area.

Ms. Cerilli: So three of those six folks are acting, in the Winnipeg area. Similarly, over in Client Services—now, actually by the way I was a summer student in that branch at one time on a STEP program way back when—but I am just wondering who currently is managing that area, and is that person there on a permanent basis or is that also acting?

Mr. Reimer: The member asked who is in Client Services. The individual there is Blair Bingeman. He is the acting person in that area, because of sickness.

Ms. Cerilli: That is still Heidi, but she is ill.

Mr. Reimer: That is right.

Ms. Cerilli: She has been there a long time.

Mr. Reimer: Right.

Ms. Cerilli: You were explaining to me that it is the executive director of MHA. Is that the position that has been declared redundant?

Mr. Reimer: The one that I was referring to was the executive director in finance and operation, which is in

the Department of Housing. The executive director of MHA is still here doing a great job.

Ms. Cerilli: Similarly then in the Housing Authority, the other two major divisions there are maintenance and assessment management. Do those two have a permanent person in place, or are there any vacancies there, or acting?

Mr. Reimer: In the Maintenance block is Ken Tranborg, and in the Asset Management is Lynn Tilbury.

Ms. Cerilli: Are either of those two in an acting capacity, or are they both—[interjection]

Mr. Reimer: Full time.

Ms. Cerilli: I had better pick up the pace here, or we are going to be here until next week.

I guess just to reiterate then and make the point, it does seem like there is an awful lot of change going on throughout the department. I am not sure if the minister considers 15 percent turnover among the nonmanagerial staff in the Housing Authority to be high turnover, but certainly the changes that are going on just in the positions that we have talked about, that is a very high turnover or a high rate of change.

This may be because, as the minister said, they are going through some redirection. but it seems that there has been a long period of instability then in this department. and I have asked already and I wonder if the minister could clarify, when do we see an end to this or when does the minister see an end to this?

He said that they are going through a process now of consultation. Is it when that is going to be completed, and when can we anticipate that process to be completed?

Mr. Reimer: The member should recognize that when I say 15 percent, what I am including in that figure is caretakers. I am including maintenance people, and that sector of our Housing portfolio has always experienced a fair amount of constant changeover. People move; people take on a caretaking position for a short-term time period. A lot of times it is just a

matter of choice, that they want to possibly even move within our Housing sector, that they would go from place to place, and they become a statistic in a sense that they quit for awhile and then they come back.

So the 15 percent is not abnormally high in a sense. It is a figure that is associated with those types of positions that would put a skew on the whole matter of vacancy turnover, and it should not be construed that there is a mass turnover all the time just because one particular area has the numbers where it is effective.

Ms. Cerilli: I think that the member for Inkster wants to ask some questions. He said he is going to take about 15 or so minutes, so I am willing to have him ask some questions.

* (1540)

Mr. Kevin Lamoureux (Inkster): Thank you to the New Democratic critic. I appreciate the opportunity.

What I was wanting to ask the minister is, within the area of Meadows West, there has been a Phase 2 that has been on the books for a number of years, and a couple of years back or I guess maybe it would be around two years ago, the government entered into an agreement with Qualico to develop the Meadows West Phase 2 just north of Old Commonwealth Path, which is in my area.

I have a lot of area residents who are curious as to what the current status is with Qualico and the development of the said property.

Mr. Reimer: What the area that the member is referring to is a joint agreement that was signed in July of 1993 to develop approximately 750 residential lots in approximately 163 acres which included 124.5 acres contributed by MHRC and 38.1 acres contributed by Qualico. Qualico would act as the manager on the joint venture, and the net income would be shared proportionately between MHRC and Qualico.

We have not had any indication that there has been any financial activity or any type of direction for joint venture activity to date, and this is as of the end of February of 1997, so I can only report as to what has

been brought up to date to me, that nothing is really happening.

I guess part of the reason is that the housing market that has been alluded to over the last little while in Winnipeg has been on a bit of a downer. Maybe with the new initiative that was brought forth by the City of Winnipeg for tax concessions for new development, it may spur an interest by Qualico to get into the development of their service lots, but it would appear that this is not serviced area yet. The member for Inkster may correct me on that because he would be more familiar with his own constituency.

If there are residential lots that have already been serviced, the new homeowner initiative that was announced by the city and combined with the province and the Home Builders' Association may spur activity, but like I say, that program did not pertain to undeveloped land. So if it is not developed, it would not qualify, but if it is serviced lots it could qualify which could mean that there could be some activity.

Mr. Lamoureux: Does the government have any sort of time line for Qualico to develop the 750 lots? Are there any expectations that by a set time they would have those lots completed?

Mr. Reimer: It has been pointed out that under the agreement that was signed in 1993, there was at that time an expectation that land would be developed, but, as indicated, with the housing market the way it has been in Winnipeg in the last little while, there was no initiative by Qualico to proceed with it, so nothing has happened.

I do not know exactly the time frame as to how long the agreement is for, when the expiry date is. I can find that out for the member and get it to him because we do not have that particular piece of paper with us in our briefing books, but we will endeavour to find out the length of the agreement that was signed and when it expires, certainly.

Mr. Lamoureux: I would be most definitely interested in finding that out. There are a number of residents, particularly people that live along Marion Avenue, Old Commonwealth. Right now there are buffers. It is the field. It is a huge field and they have been anxiously

awaiting. There have been a lot of people waiting to see some additional housing development in that area. Because MHRC entered into an agreement with Qualico, it put some limitations on housing developments or other companies that might be interested in developing in the area.

I know that there is supposed to be some sort of a management group that oversees the agreement that was incorporated into the agreement. I would be most interested in possibly having some sort of a discussion with that if it would be appropriate for an MLA to sit down with that particular committee whenever that committee meets. The primary reason for that is just to get a better understanding as a local representative in terms of what their intentions actually are. A number of the people from within the community—Meadows West is probably about 950 households currently. It is felt that if they had these additional 700-plus households increased in the area, we might be able to see a community or a satellite community centre, possibly the infrastructure of extension of Keewatin which would hook up then to Jefferson.

There are a lot of things that are pending that could be very positive for the community as a whole by seeing this area developed. Me as the provincial representative being informed from this—you have to excuse if I do not actually know the actual wording—it is some sort of a management committee that administers the deal that the government entered into. I think it would be beneficial if in fact I could hear direct from them or possibly even meet with the provincial rep that is supposedly sitting on that management committee.

Mr. Reimer: What we would have to do, I guess, is look at the terms of reference in the agreement that was signed to find out especially the time parameters involved of how and when that it has transpired. It would seem that the initiative has to come from Qualico, you know, as to whether they want to develop it.

The member brings in legitimate concerns as to how long do they sit on the land before something happens and whether it is an agreement just for the sake of holding up the land. If it is possible that the land is developed and we get a return on it, all the better for

the provincial government, because we, as the largest land holder in the package, would naturally benefit more by getting our return of money.

Qualico would act as the manager of the joint venture, and they would receive a fee, I am sure, of some sorts as part of the revenues. What I can indicate to the member is that we will try to endeavour to get more information as to whether there is a time frame. If there are meetings scheduled, and it is not of a proprietary nature in a sense of financial discussions between Qualico and this government, we can possibly even invite the member to some sort of awareness meeting between Qualico and MHRC as to what the intents are in the sense of keeping you abreast as the member for the area as to what is happening.

* (1550)

Everything would revolve around the willingness of the partner, specifically Qualico, to have this type of openness in their negotiations. I could not speculate as to what they may or may not say. I am sure the member would recognize that there is certain proprietary information in any type of financial discussions that two partners do not want to have exposed to outside persons. If that is the nature then, what we can do though is we can relate to the member some of the time frames and the parameters of expectations, when it is supposed to happen or if it is going to happen, and when the expiry date of the agreement is. Those we can supply.

Mr. Lamoureux: Finally, Mr. Chairperson, I would appreciate that information. It would be wonderful if in fact I could meet with the group that the minister is potentially suggesting that might be able to accommodate me.

What I am interested in obviously is ultimately how it is developed, where they are going to put the lakes, for example, or the mini-ponds, whatever it is that one is going to call it. There has been somewhat a lack of an overall plan in this area, and to be able to contribute would definitely be beneficial, if not for me directly, at least to meet with some Qualico reps and suggest one or two residents who I know would provide very creative advice and opinions and thoughts in terms of the community, the Meadows West Phase 1, if you like,

and how the two communities could complement each other thereby allowing for better sales of houses and so forth.

So I welcome the comments from the minister and again appreciate the member for Radisson (Ms. Cerilli) allowing me to put forward questions currently. Thank you.

Mr. Reimer: What we could also possibly provide the member with is maybe the names of the people who have been involved on the Qualico end of the scenario. We can get those names also and provide them for the member.

Ms. Cerilli: I will get back to, I guess, the issue that I was starting to deal with. I started off by talking about the changes in the management level and a lot of the staff turnover that has been going on in the department. I was just getting a chance to go over again some of the information I have had passed on to me from the consultations that the ministry has been having with the staff. There are some trends here, and I am wondering if this is not related to the changes, the redirection, the change in management.

Questions were asked of the staff, what prevents us individually and collectively from delivering great performance to our clients, and there is a trend where they are saying things like organizational fragmentation prevents effective communication and teamwork; sharing resources causes unnecessary duplication of effort; lack of clear and evolving mission statement that is regularly updated; budgetary constraints; lack of consistent direction; insufficient use or lack of resources; lack of training; lack of information and decision making; lack of authority to make decisions; lack of support; chain of command not defined; some clients' needs are beyond their mandate and expertise, which I guess relates to training; clients' reluctance and fear to communicate their needs suggests some problems there; political interference; frustration with all of the above; the way that recent changes were introduced.

This goes on. This is from a number of the different groups that were part of these consultations—poor management supervision; manager supervision not

available for support; policy procedures not being applied or staff not aware of the policies; bogged down and useless paperwork.

It goes on. Another group is saying they are prevented from doing a good job because there is lack of support from management and their peers; there is lack of understanding of the entire operation and what their mandate is; more open communication for management and peers; more adequate training.

I am wondering how the minister and his department are responding to these concerns. I get complaints, as I am sure other MLAs do, that not only have Manitoba Housing Authority properties in their constituency, but I guess I may get more complaints being the critic, but I think this is a serious problem. It is pointing to some serious problems. So, first of all, I am wondering how the minister and his department are responding to this.

Mr. Reimer: The member brings up an excellent area of discussion, because I think what the member is referring to is a lot of the frustrations that the staff had and to a degree still have in trying to come to a resolve on the change that we are trying to implement into the—prior to the change that we are trying to implement in the department. I should mention to the member that a lot of this started for the first time when we invited all staff over to the Winnipeg Art Gallery. What we did there was, we introduced all the staff to the financial picture and the financial implications and the departmental responsibilities to all staff in the Housing department.

What it did for the first time, it showed them the magnitude of what they are involved with, the literally tens of millions of dollars that they have a jurisdiction of some sort or another in making decisions as to where money should go, how it is allocated, whose responsibility it is and everything else like that with the idea of, when I was asked to come forth with my department budget and I was given a figure of it, I in consultation with my deputy said, well, who should be making these decisions really is the staff, the people that are on the front line, the people that are involved with the department, the people that make the decision as to what and how and where we buy things and what and where and how we spend things and where the revenues come through.

So we said, well, let us put it on the big screen and give them the opportunity to make the decisions as to how we can hit our budgetary figures. It was tremendously interesting to be at that meeting, because a lot of people for the first time had never seen figures like that before, had never seen the magnitude of what was involved with their department. What we did was, we did not show them or give them our objective of what we figured that we wanted out of our budget. We asked them to go back to your departments and just within yourselves and within your sector and within your group and things like that, you come up with where you can save money, as much as you think that you can save.

* (1600)

We did that and then we will get together in cluster groups in sector and we will bring those numbers together and we will analyze them and see what is doable, and we will look at how you feel can save money. Once those figures all came back, I think the figure that they came up with was a saving of approximately—sorry for digressing there just for a second, because I thought it was very important that the number that they came up with was a lot lower than what we had actually had as a budgetary figure for a savings within our department.

It was refreshing to see that there were a lot of things that they figured that they could save money on that we had never even considered. We settled in on a figure of savings of, I think it was around, what, 2 percent, approximately 2 percent. In their analysis they came up with a figure of about between 3 percent and 4 percent that they figured that they could save. We appreciated, you know, the aggressiveness of their analysis, but we settled with the approximate 2 percent figure.

What had started and what we encouraged was the fact of having this bottom-up approach to do an analysis of our department. So what we have set up is four teams within Manitoba Housing. We have also set up a quality service council to try to look at a lot of the things that the member has talked about, because out of that initial meeting at the Art Gallery, we then went and had various meetings. I think we had about 10 meetings of various groupings of the department. We asked them to go through various stages of where they

figured that they could help their job, how they could help their fellow employee in a service-first type of attitude, not only service to our clients that we serve through Manitoba Housing but service to each other within the same department, within the same floor.

This is where a lot of the frustrations came out that the member is referring to in the listing of concerns that the people have come forth with. It serves as an excellent starting point to try to resolve these problems. It would be nice if we could wave the magic wand and everything would be satisfied, but it is a tremendous first start to getting the department involved with the bottom-up approach of servicing their clients, servicing their customers, and servicing the people that they serve, not only within our department but how they interrelate with other departments. We would like to correct a lot of the areas that the member has mentioned, and I think that we are onto a very positive first start with this.

Ms. Cerilli: The minister did not really answer my question, but he raised another one. This whole exercise, the consultation, was designed to involve staff in budget consultation. You are wanting to find efficiencies, make some budget reductions, and you want to involve the staff in that process. The minister is nodding. I am assuming he means that is it .

In the meantime, they are identifying all of these organizational concerns, management concerns, staff relation concerns, other problems in the department. I am not sure if that is what the minister is suggesting now that those are a by-product of what this consultation was intended to do, but as the minister has acknowledged, there are some serious issues that are being conveyed here. There seems to be a trend through all the different groups that were participating in this, all the staff that were participating.

I am wanting the minister to clarify then. This was initiated as a staff involvement in the budget exercise, but then what it has turned out to become is staff identifying all sorts of other concerns that they have in the department that deal with administration and management.

Mr. Reimer: The budget was one part of getting the department involved. It is a very, very significant part

naturally of our department, because we are naturally concerned about any type of parameters that we have to deal with in our budgetary limitations. The reason that I mentioned the budget part of it was because it was just one area where this type of philosophy and this type of direction had never happened within the department. Also, the fact of having discussions groups and working groups come together for discussion, about 10 groupings of about 10 various meetings, was something else that also had never happened in the department.

It was an ongoing scenario of events, and the budget process was one of them that brought forth what I was alluding to, in a sense, at the Art Gallery, but it is one of the scenarios that we are working with. One of the biggest things is just to have, like I say, the quality service council set up. We have four teams working on trying to work through some of these concerns that the member brought up. We are very involved with this bottom-up approach of trying to get people involved with the decision making and the quality assurances and the Service First program that we have in the department. So it is a step, there are a series of steps and a series of situations that all fall together as you go through this approach to our department. The budget was just one part of it.

Ms. Cerilli: So what is happening then is the ministry is setting up this council within the department that is going to try to address the concerns that are being raised. They are going through some other reorganization. I will deal, first of all, with this committee or council, and I understand there would be some staff who are nonmanagement staff, line staff, that would participate in that too. Is that correct? How are those people selected? Is that process complete?

Mr. Reimer: The service council that I referred to is a wide-ranging council. It is composed of I think it is around 10 to 12 people on that council. It has management. It has line workers, if you want to call it. It has other staff on it. It is a cross-section of people who are on that council who are addressing some of the concerns.

Ms. Cerilli: I wanted to know how those people are going to be selected and what the compilation is and when that council is going to be established.

(Mr. Peter Dyck, Acting Chairperson, in the Chair)

* (1610)

Mr. Reimer: The council is selected. It is an entity as itself right now. I will just find out the selection process. As mentioned, there are 12 people on the committee; I have been told, four from management and eight from the line workers, if you want to call it. The selection was done by asking people to submit their names who wanted to serve on the committee and then from there, four teams were also developed in addition to these twelve people on the quality service council. So it is people within that have submitted their names that want to be involved plus the four managers that are from the department and the MHA Housing. These are two-year appointments, if you want to call them, with the directions that they are setting up for themselves.

Ms. Cerilli: How many total names were submitted from the staff?

Mr. Reimer: We do not have the exact number. I am giving her a guesstimate from the department. It is upwards of 60 people that have submitted their names for consideration, approximately.

Ms. Cerilli: So how did the department select, other than the management, eight out of the 60?

Mr. Reimer: Yes, this was certainly a bottom-up philosophy of setting up the system because it was done even in regards to the selection of the quality service council with the four managers and the other eight individuals to make up the 12. It was done by an outside person that was seconded to do the selection for this committee. The quality service council then, in setting up their teams of upwards of six people per team, when we have four teams, also utilized some of the names that were brought forth. These were more or less the initiative of the individuals in the department in picking people to sit on the council, and we went along with the names.

Ms. Cerilli: Are any of the names of the people on the council, the eight line staff, are any of them shop stewards?

Mr. Reimer: I could not answer that. I do not know whether they were or not. We had people that were

caretakers right up to management that have been selected so. I do not know their affiliation. We can check on that to find out.

Ms. Cerilli: I just wanted to make sure that you understand my question. I mean, I am talking about not shop stewards as in a caretaker but shop stewards as representing their bargaining unit with their union.

Mr. Reimer: We can find out. I just do not know at this time. I said that word again, I do not know. I should not have said that.

Ms. Cerilli: We will find out. So, I just wanted to clarify though that the mandate for this group. Is it in fact to deal with some of these issues that have been raised through this consultation?

Mr. Reimer: Most definitely, yes. That is the purpose, and the *raison d'être* for it is really to look after a lot of those areas that were mentioned by the member and others and new areas too.

Ms. Cerilli: This council that is dealing with all these management and personnel issues, are they meeting already? Have they met? I mean, what has come out of any of these meetings?

Mr. Reimer: I have been told that there have been four meetings that they have had. They have had discussions regarding the problems that the teams have brought forth for consideration and resolve. So, it is an ongoing and effective council that is already moving with meetings and hopefully come up with some solid recommendations.

Ms. Cerilli: I wonder what the time line is for these, if there is some prioritization of some of the concerns that I have put on the record here, if there are some plans that are in place. I have the time line that was set out for the consultations that were undertaken, but I am wondering if you can tell me any other time line or plan.

Mr. Reimer: Yes, as each problem or concern is brought forth, there is a time frame allocated to it for resolve or for direction, so that there is a system that has been set up for an evaluation as to the effectiveness of it, yes.

Ms. Cerilli: And there will be some kind of follow-up consultation process to do some evaluation down the road. Are you planning another meeting at the Art Gallery?

Mr. Reimer: I think that is an excellent suggestion that the member for Radisson has brought forth. I did not think of that. We will certainly try to encourage any type of co-operation between all levels of management, including the minister with the staff.

Ms. Cerilli: What prompted this whole process? I mean, is this something that is occurring in all government departments? I know that there is this Service First office that has been set up for the provincial government. Is Department of Housing one of the first to do this? It seems so.

Mr. Reimer: Well, I guess it is part of the so-called if you want to call it management style of the Minister of Housing that is presently there. I am a firm believer in not only delegating authority but also surrounding myself with the best possible staff that I can get.

Decision making on a ministerial level takes an awful lot of confidence in the people that you have around you. I am very fortunate that the team that I am getting around me in Housing right from the caretakers up, if you want to call it, are people who have the conscientious effort of trying to improve this department.

I am a firm believer in bottom-up management. I have the opportunity as the minister of this department to implement that type of philosophy. I think that the best way to manage a large entity such as this with so many people is to have them part of the decision making. It fits to a degree what the member referred to as the Service First Initiative that has been initiated by this government.

* (1620)

I have just taken it upon myself through my deputy and through my senior staff to give them the direction that this is what I would like to see happening in my department. I feel that is the best way that people can be part of the decision making. People can take pride in the decision making, and people can see the results

of their decision making, and they can participate in the decision making which is even more important. So I am a firm advocate of trying to get the best people around me, so that I do not have to do anything.

Ms. Cerilli: I will leave that last comment alone for the time being. I have in front of me one of the documents for the Service First Initiative, Better Methods update, and it talks about, Better Methods is committed to a \$5-million government-wide workforce adjustment program including but not limited to retraining, redeployment and job search training. Choices will be tailored to the individual.

What does this mean? This \$5-million government-wide workforce adjustment, is that money that is going to be spent on this Service First program? Is that money that is going to be saved? I mean, you had said that this whole consultation process was supposed to identify savings in your department. Can you clarify that for me?

Mr. Reimer: Firstly, the number that the member mentioned regarding the \$5 million, that is not strictly for our department. That is for the 14,000 employees of government. The Service First Initiative is meant to, in a sense, look at the best way and the most efficient way of utilizing the manpower and the asset base that we have which are the employees of our department. I can only say that it is a government initiative and our department has bought into it. I can only think that there would be new avenues and new directions and new changes that will come about. I think that by having the—and I am repeating myself—by saying that if the employees are part of it and part of the contributory factors of it, change does not become a threat to the employees, it becomes an opportunity for achievement and for contribution. So, I think that our department is one of the departments that is responding to the Service First Initiative on a I feel a very positive manner, and I will encourage it as much as I can within our department to continue that way.

Ms. Cerilli: I was giving the minister an opportunity to explain to me a little bit about how the program works. To me, this is saying that that there is a \$5-million government-wide worker adjustment program looking at how to basically eliminate \$5 million of costs. Because, especially when you are talking about

retraining and job search techniques for staff says to me that \$5 million is going to be a saving from the civil service or a loss of \$5-million worth of civil service staff, and I have lots of questions about that.

First of all, how many of those people are going to come from Housing? What areas are going to be identified? The minister is saying that this is all about bottom-up consultations and staff participation, but in the end there is a certain percentage of the staff that are going to be redeployed or moved. Can you clarify that?

Mr. Reimer: I guess to look at the Service First Initiative that the province is embarking on, it is true that all departments within the government are being contributory towards the objectives of this. It really is components of various sectors in looking at the total package of what is before us in trying to come to the realization of the figures that the member mentioned. One of the components is the better methods philosophy of financial accounting and the direction of human resources in this particular area of evaluation under Service First. The other, and that I have alluded to also from time to time in my discussion is the better service initiative under the Service First Initiative and that has to do with the interaction of the individuals within their department and other departments and the clients that they serve and the relationship of how best to get good service product and services delivered not only within the departments but within the service that is required to satisfy what government needs. It utilizes information technology under this sector also, in the Service First.

The third one, I guess, if you want to put it in context, is the desktop management philosophy. That alludes to the computerization and the computer programming of the government, and I believe that was just announced very recently by the Minister of Government Services (Mr. Pitura). It also includes the hardware acquisitions and the related training in software and development along that way.

The other one that has been mentioned and was talked about in the House just the other day was the coming of the year 2000 and the technology and the preparation that we have for that.

* (1630)

So Service First covers a wide parameter of redirection by government. We are part of this philosophy in a small way with our department in looking at the overall scope of our government with 14,000 various employees. It takes an awful lot of reshaping and redirection to bring forth this philosophy. When the member mentions the savings of \$5 million, there will be a lot of redirection of exposures as we go along this path.

Ms. Cerilli: How about this, how much did the various all-staff meetings cost the department?

Mr. Reimer: Roughly around a thousand dollars when we rented the Art Gallery and the doughnuts, the coffee, the serviettes, and the sugar cubes. We used the Norquay Building a lot, and that was free. There we bought the coffee, again with sugar, Sugar Twin, and little stir sticks. So these things all add up a little bit at a time. I would think that about a thousand dollars should cover it, a tremendously good investment for the results that we are getting out of it, money well spent.

Ms. Cerilli: You have described that there is, as I understand it, three different parts of this Service First Initiative. There is the Better Methods which deals with accounting and use of staff, redeployment of staff, letting staff go perhaps. Then there is the second part which is information technology, something you have called desktop management. Then the last is teams, which you have also developed, and this committee.

Will this committee be dealing with all of those areas? Will the committee be involved in looking at the redeployment of staff and the cost savings there, the Better Methods side of it, or is that something that is completely a management function dealt with by the folks sitting around your table here, or will this committee be involved in all of those areas?

Mr. Reimer: What I think the committee will be involved with is more or less a lot of the things that were mentioned previously by the member in regard to concerns. I do not have that copy with me that she refers to but I recall seeing it. There is a long myriad of concerns, and it was requested that way, that we were wanting to get the people to give us the concerns they had, give us the areas where they felt that we should be

looking at change, where they felt that they can make change. We encourage that type of response because it is from those types of things that you can build towards getting a resolve.

The teams will be looking at that type of scenario, trying to come to some sort of resolve in coming up with solutions. The quality service council has the ability to look at these recommendations, come forth with recommendations. Implementation of it, naturally, comes through the management of our department, and I guess as the Minister of Housing, there will be a certain amount of exposure that I will have to some of the recommendations that they come out of.

So it is an ongoing process, and, hopefully, as mentioned, we can try to get some of the other components established and corrected.

Ms. Cerilli: Well, what is happening here is you are getting the staff involved for the department deciding how to make cuts, how to make reductions in programs, services and the way the staff are utilized. You had said earlier that you were actually surprised where you had—and you can clarify me if I misunderstood you. Management had thought that there could be 2 percent savings found in the department and that there was actually \$48 million to \$52 million that were identified by the staff. You had mentioned that figure. Maybe I did not understand you, but, basically, 4 percent.

Mr. Reimer: Just as a clarification, we were looking for approximately about a 2 percent reduction in our budget. Staff, when they got through with their analysis, they came up with almost 4 percent, which in essence was in relationship to a \$2-million saving to a \$4-million saving.

I should point out that staff would not be involved with the decision making of cuts, cutting of staff, or anything like that, no. They would be involved with working conditions and the expenditure reductions, the flowing of information, the co-ordinating of information, but any type of staff cuts would still be the responsibility of management and not the council itself.

Ms. Cerilli: I am not suggesting that they would be making the decisions, but you are asking them to make recommendations.

One of the things I have heard about the department is that there is not a very efficient way in how the Manitoba Housing Authority does its purchasing for its maintenance, that there could be some savings made there. Maybe that is one of the things that the staff have identified, and that is one of the questions I want to get to.

But, first of all, I am wanting to understand that basically the staff have identified a way that there could be approximately 4 percent efficiencies or savings found in the department. I am wondering if you have looked at these recommendations and if you could tell me the ones that you like, the ones that you think make sense, if the area that I have referred to is one of the kinds of things that they are recommending in terms of purchasing, bulk purchasing for materials, for maintenance, that type of thing.

I mentioned in my opening statement the Power Smart program, if it is those kinds of conservation programs or if there are other things. I am wondering if you have got a list of recommendations that have come out of this process that you are considering.

Mr. Reimer: I think when we ask the individual departments and individual sectors to go back into looking at savings, it had nothing to do with the reduction of staff. It was more or less along the lines of where they can save, possibly in the buying of pencils, the purchasing of equipment, or the care of the grounds and the equipment that is involved, in that type of component. We, as a Housing department, budget almost, what is it, about \$40 million. I am not too sure what our maintenance number is approximately—about \$25 million.

Within that \$25 million, there was a lot of areas that can be looked at and say that maybe we can save money here, maybe we can save money there, by consolidating and things like that. It is only when you get people together—and the comment was made by some of the caretakers—we never talk to each other in a sense. This is the first time we ever got together to talk about common problems. It was surprising some of the caretakers came up to me and said, you know, I have got ways to save money; I know how to save money; I want to be part of this approach to being able to contribute to where I know that there is an overlap or

duplication, or where I can share a certain type of purchasing power or utilization of equipment with somebody else that is just down the street in another complex.

Those small amounts even though they are small on an individual basis, when you combine them all, it amounts to an awful lot of money; in fact, it amounts to millions of dollars. This is why when we ask the department to sort of look at itself as to where we could save this money, it did not have any connotation of staff reductions. We were not recommending that they go back and say who in somebody else's department should not be there, eliminated, or anything like that. It was more or less within the confines of the decision making that they as an individual, or they as a group or within their sector, could make decisions for saving money. This is where they came up with that number of approximately \$4 million that they felt they could save.

* (1640)

As mentioned, we ended up with a \$2-million saving in our department, which was on our budget line.

(Mr. Chairperson in the Chair)

Just to continue—some of the recommendations that the employees came up with was they said we should have tougher collection policies in our arrears in our rental policy. They asked for consolidation of branches. They made that type of recommendation. They mentioned the length of service contracts to people that we buy service from, that we can possibly make a saving like that. A good example is elevator maintenance. Possibly we should be looking at—instead of looking on a short-term basis, look on a long-term basis and possibly we can negotiate better savings. A good example of one of the recommendations was in the purchasing of appliances that we should be looking at bulk purchasing of some sort in trying to come up with even a better price when we go through our appliances, because we do go through a fair amount of replacements of our fridges, stoves, and things like that. These are some of the things that the employees themselves have come up with, and they will save us money.

Ms. Cerilli: So you have listed a few examples here. I am wondering if there is a report compiling all these recommendations, if that is going to be included in the annual report, say, for the department or any other kind of report that the department is required to produce, so that there can be some accountability? How is this going to be followed up, dealt with, and reported on?

Mr. Reimer: I think that because the suggestions are fluid in nature, they come and they go because of certain circumstances and certain situations as the various individuals that are responsible are addressing the problems. It is hard to put it into a formal basis of this is what I, as the minister, expect out of the department, that once this saving has been identified, I can say that I expect that to be there all the time.

I would rather have the ability to let the department and the individuals that are on the frontline, if you want, recognize when there is the availability to make a decision or recognize that there is ability to make a savings somewhere along the line, that there is not that rigidity that says, well, I cannot do that because it is not part of a report or a recommendation in a formal manner, in a sense, that it has to go through the so-called right to the chain of command and everything else of that.

It is not that I am advocating a free-range decision making within the department. I think I have to give the employees the ability to think on their feet in the sense of saying that, hey, possibly you know these are some of the things that we should be doing right now and not wait for the chain of command that goes up to the manager, to the assistant deputy, to the deputy, to the minister, and things like that that take so much time to make a decision. They can make decisions almost in the field with a minimum of length of time for the savings, because sometimes these things just happen instantaneously. The individual, whether it is a caretaker or one of the division managers in south Winnipeg, where he or she sees that there is a saving because of a sale on at Leon's, that they are selling some good deals on fridges, that we should be jumping in there. So, I want them to make those decisions.

Ms. Cerilli: That is fine, but that is not the question I asked. I asked about some kind of reporting of this whole process and the recommendations from the

consultation with the staff on the way that they could identify some savings and efficiencies. Part of the process that we are going through in Estimates is about accountability.

I hear, as well, recommendations from people in the field, for example, maintenance employees in rural areas having to drive increased amounts now because of the way the regions are configured and the way that they are required to conduct their maintenance. We could look at the transportation line in the budget and see if that is one of the things that could be dealt with as a way of saving money.

There are all sorts of other examples that we can get into, but what I am interested in finding out is I would like to see the report or the complete listing of all the recommendations that have come through that process, and then to be able to see if they are going to be followed up on. So, I guess, what I am getting at is will I be able to get a copy of the recommendations for efficiencies in housing in the province, and what kind of method is there going to be for evaluating these and seeing if they are going to be implemented?

Mr. Reimer: I guess, one of the easiest ways to evaluate the effectiveness is in the adage the proof is in the pudding, in a sense of seeing how it is going to transpire. The council is on a two-year term, if you want to call it. It is not that I intend to disband it or anything, but I think that it is like anything. You put time frames in asking for expectations. I think I rely on that type of philosophy that unless we have some sort of time frame or we put some objectives or we put some accountability of reporting into the system, the system just sort of gets too loose.

I can agree with the member that the reporting is something that will be followed up in a sense, not only by myself but by management, as to the effectiveness of it because we have only had—I think it is—four meetings. I think it will be too premature to start to get into a formalization of what has transpired and what is coming out of it. I think that I would feel more comfortable in approaching the council and the teams in, say, six months or even a year, and saying, let us look back, what have you done, where are you, and what are your objectives so that we can give some sort of measure of results with it.

If I, as minister or deputy minister, give the appearance of control and of wanting the rigid results on a formal basis, I think it takes away from that freedom of participation. I would rather the council and the teams work within their own guidelines that they, themselves, are setting up with the understanding that naturally they are going to be asked for a certain accountability by myself and by my senior administration as to what we are doing. It is only natural that you question your effectiveness of going along these paths that we are advocating. Some of it, for a lot of the individuals and for the department, is a new approach. It is a brand new approach in a sense of trying to work this way.

* (1650)

I think it is like anything; you have to give people the ability to make mistakes. If you do not give them that ability to correct themselves, then nothing will happen. I do not want to be perceived, and I do not want my deputy to be perceived, that they do not have the ability to make decisions or to make recommendations, because there is too strong of an accountability that I expect out of them.

I am not looking for glorious awakening of a new dawn over there on Broadway or on 185 Smith. I think that it is a good positive initiative and a good start that somewhere, maybe a year from now, we can look back and say, my gosh, we have gone a long way since what we did in this building a year ago compared to what we are going to be doing now and what we have got planned for the next year.

Those are some of the measurement criteria that I look forward to. It is just in dealing with people, it is hard to put a formality of design on people's initiative. I would rather they have the ability to make decisions, possibly even on the fly and make maybe even a wrong decision than not make a decision at all. I have no problems with that. Some people will make mistakes, there is no doubt about it. Some people will be hesitant to make a decision, but at least give them the opportunity to make the decision. I think that is how you can get character in the department. I do not really feel that I want to be too formal in the structure of accountability in the sense of the rigidity of a program

that is down, sort of, in a black-and-white, and a you-can or you-cannot-do type of scenario.

Ms. Cerilli: Well, I do not want to spend too much more time on this particular question, but this is a key area. You have staff who are making recommendations for how the department could be more efficiently managing its resources. I think it is important that there be some report that is done of that. We have a report of the recommendations that are more related to staff, communication, and relationships and that kind of thing. There are some questions that you asked that deal with how the housing authority can compete more effectively. Maybe there are some recommendations that would have come out in there, but it does not seem like it. So I am asking that I receive some kind of an accounting of the recommendations from the staff to more efficiently deal with the Housing portfolio it has.

Mr. Reimer: I can agree with the member for Radisson (Ms. Cerilli). I think that the philosophy that we share may be different politically. But, I think that we share the same concern that the human resources and the utilization of the human assets, that we have in our department, are of vital importance. I can give her the assurance that as this unfolds, if there is the willingness, I can keep her updated as to what is happening, and how things are transpiring regarding the council, and some of the things that are happening with it.

I feel that I would like, as mentioned, at least six months to a year, and possibly when we sit around the table next year at the Housing Estimates—if we are still in the same positions as minister and critic—that I will request a more formal update as to what has transpired regarding the quality service council, so that there is more of a formal report at that time.

Ms. Cerilli: The minister seems to be mixing apples and oranges. He told me earlier that the council is not going to deal with the kind of resource issues that we have been discussing now in terms of cost savings. They are dealing more with the communication, information flow, those kinds of issues. So now he has just told me in answering my question about my getting information about the recommendations for how there could be more efficiencies in the department, he says he will keep me up to date on the council. So he has not

answered the question again, but I am going to move on. I am going to move on, and I will come back to that.

I would really like to see what the staff has to say about developing efficiencies and cost savings, because I know in Estimates we have talked about this before. We have talked about the management, particularly with public housing.

I want to sort of link two things here before we completely run out of time, and that is the concerns that have been raised through this consultation process, about the staff talking about low morale, talking about problems with communication, staff relations, and then complaints about the staff, and there is a relationship here. My office, MLAs generally, your office, you get complaints about the staff, the way that they are dealing with some staff or tenants, that kind of thing. I am wondering if the department sees that there is a correlation here. I understand there can be problems with staff workload. We have already discussed the fact that staff are not necessarily being replaced in positions where there is a vacancy. So I am interested in knowing how the minister sees that relationship, and how he is dealing with complaints of staff, the numbers of complaints about staff and the process for dealing with those complaints.

Mr. Reimer: I have to outline to the member that the so-called chain of command for complaints usually goes through my personnel services, Ms. Sophie Gaska. She is not here with us right now. I could not give the member any indication as to what degree, amount of staff problems, or grievances that come before us, before her. I do not get that many direct letters from staff in the department or inquiries from the staff in the department. It is not that my office is closed in any way. I certainly have made myself available to anybody in our department, whether they want to phone me or I phone them. I phone right into the department all the time. If I have got a question, a concern, or want to know something, they have always been readily available for me.

Coming back the other way, whether they want to phone me or my deputy, I have encouraged them to do that on a basis, if they have concerns or any type of problem on an ongoing basis. I think you have to have

that type of openness within the department. But, as to the magnitude of whether there is—

* (1700)

Mr. Chairperson: Order, please. The time being 5 p.m., committee rise.

NATURAL RESOURCES

Mr. Chairperson (Marcel Laurendeau): Good afternoon. Would the Committee of Supply please come to order.

This section of the Committee of Supply has been dealing with the Estimates of the Department of Natural Resources. We are on Resolution 2.(g) Fire Program (1) Salaries and Employee Benefits. Shall the item pass?

Mr. Stan Struthers (Dauphin): Mr. Chairman, yesterday, we just got started on the topic of fire prevention, and we received some answers from the minister in terms of forest fire readiness this year. The question that is concerning all Manitobans, especially given the last couple of springs that we have had where we have had some problems occur in the North country especially—many evacuations, many dangerous situations, loss of property and a great deal of cost to government's compensating and that sort of thing. Before we go any further, what I want to do is defer to my colleague for Flin Flon who has some questions, and then I can go back to asking some questions on the Fire Program once he is complete.

Mr. Chairperson: Before I recognize the honourable member for Flin Flon, he will have to be in his seat. The rules only give clearance for the critic of the official opposition to ask questions from the front row.

Mr. Gerard Jennissen (Flin Flon): Mr. Chairperson, am I expected to stand? It may be hard to tell whether I am standing or not.

A few questions to the Minister of Natural Resources now that the firefighting season is looming on the horizon, although not that quickly. I am glad to report though that there is a lot of snowfall in the North. I am sure that maybe there is too much, and some of your

own snowfall I guess maybe should drift up there to prevent the woods from getting too dry. The question I have is the number of water bombers that will be available for forest firefighting this summer.

Hon. Glen Cummings (Minister of Natural Resources): The same as usual—five, plus, of course, there are working arrangements with other jurisdictions if that should come to pass.

Mr. Jennissen: Will these water bombers be stationed where they normally are—Lynn Lake, Flin Flon and so on?

Mr. Cummings: That is correct.

Mr. Jennissen: Is there anything to the rumour that I have been hearing up North—and usually rumours are wrong—that there is an attempt to privatize the water bomber fleet?

Mr. Cummings: No.

Mr. Jennissen: Mr. Chair, in 1995, the summer of 1995, we had some horrible forest fires up there. I had occasion to fly over that region and just see the devastation. One of the concerns we had, of course, and all of us have, is the safety of the population up there.

When the people of Leaf Rapids were asked to leave their town, when they were evacuated and were given orders, I presume, by people from Natural Resources, the one move to Thompson was a very dangerous one. Apparently a file of cars had to go through a stretch of road where the fire was licking at both sides of the road. We have video tapes of that, and people have taken pictures of that. Apparently, plastic melted on the cars. It was just sheer luck, I guess, that somebody did not break down, or one of the gas tanks did not explode.

Now, that situation, I guess with the wisdom of hindsight, should have never occurred. Can the minister assure us that we will not find ourselves in that kind of situation again where people are told to be evacuated when it obviously is very dangerous?

Mr. Cummings: No. I think maybe we should have a bit of discussion on that particular point. Yes, it is always true that you can, with the strength of hindsight, recognize when you could make better decisions. But the EMO organization, which includes the local authorities, is the one that is the lead in terms of local response and evacuation. I am certainly not dodging the responsibility that our government may have had in preparation for the evacuation, the timing, and everything else. I think it would be less than wise on my part to say that we may never face a similar situation. What I can tell you is that we will do everything, and, generally speaking, that government employees and the EMO organization will always make every conscious effort to make sure they do not add to the risk by evacuating people.

Let me put on the record, Mr. Chairman, however, the fact that any kind of an evacuation is always controversial. There are people who would tell you that they would be much happier staying at their residence, to do everything they can to stop it from being consumed by fire. I mean, we have all seen the pictures and/or the videos of houses with sprinklers set up on the roof to make sure that they—we have seen pictures of houses in Leaf Rapids sprayed with foam. Interestingly enough, I think the unique and horrifying accident that occurred there last year when one house was picked out of a row of houses, for some reason the foam did not hit, or whatever appropriately, and one house was knocked out in a street, and all the other houses were saved. This demonstrates the vulnerability, first of all, of some of our communities, and also, in the end, the fact that, despite the best efforts and best technology available, mankind's efforts might not be equal to the forces of nature.

Evacuation, albeit one that may be unpopular with the community, is sometimes judged to be an appropriate measure in order to protect those who are unable to protect themselves. It is bad enough that the firefighters, their back-up people and equipment are at risk, but to involuntarily expose those who are not able to look after themselves as well—the elderly, children, and, in some cases, the women in the community—to involuntarily expose them to a risk that they could be saved from is not the right thing to do.

I am not sure where the member was heading with his question. Some communities, as a result of what they have seen over the last decade, are taking efforts to make sure that they are not as vulnerable to fire as they were. Again, let us use Leaf Rapids, I believe it is, as the example where they had a beautiful community, where the forest comes up to the back door. That made them the most vulnerable in the forest fire situation two years ago, and I believe they were, as a community, working with Natural Resources and anyone else who has a decision-making responsibility, clearing areas away from the community so that they are not exposed in that manner again.

I think this puts a human element on what happens when we are fighting forest fires. Too often, the public is probably feeling that all you are doing is fighting a fire in the bush somewhere, and it really does not matter except for the timber-cutting industry. That is not at all true. There are lots of remote settlements. There are lots of individuals who live in somewhat remote locations. If you bring it right down to the southern part of the province, into the cottaging area—well, there is cottaging in the North as well—but when you get into the more densely used cottaging areas, people have probably their life savings and their total recreational commitment in what may be a very vulnerable location when it comes to fighting forest fires.

I can tie that right back to the use of our forests because, as we have always had arguments about the multiple uses of our parks and the harvesting in various parts of the province, sometimes those harvested areas, in fact, act as buffers to protect some of the built-up areas from the very elements of fire that we are trying to avoid.

* (1450)

Mr. Jennissen: I thank the minister for that answer. I was not trying to put him on the spot. I am just trying to react to some of the concerns that the people of Leaf Rapids had. I know that this was a very dangerous and probably rapidly changing circumstance in which they were evacuated, but perhaps the window of safety was a little too narrow. We do not want a repeat of that situation again if we can possibly avoid it.

I guess my concern was that there was another route. We could have headed those people instead of south to Thompson; we could have headed them to Lynn Lake. I am not sure why they were not shunted that way. I do not want to second guess it. It is all over, but I just hope that this kind of narrow streak does not happen again. I think that was too tight. The wind shifted or something. We have to create the window of opportunity a little larger than that because it was just by sheer luck that fatalities were not involved.

Mr. Cummings: I would concur with the concern that the member raises. I would only remind him that the local authorities are also, through the EMO organization, very closely involved. In fact, that is the very reason that they are involved, so that that type of local knowledge, and, in some cases, sensitivity can be applied to the decision about evacuation or any of the other emergency response jobs that are undertaken.

So, yes, Natural Resources is part of that decision-making process, and, yes, we accept responsibility for that. But we try in all cases—and it has been very successful in the Red River Valley and other places—to make sure that the local authority is involved, and they are, in fact, the lead authority when it comes to the reaction on behalf of the communities.

Mr. Jennissen: I thank the minister for that answer. The next question I have for the minister is this. Since there were some tragedies in 1995, specifically the helicopter accident that claimed the lives of at least two people from South Indian Lake and, I think, one other person—I believe he was from the Flin Flon area, at least that is where the funeral was—we all mourn that loss.

Coming out of that particular accident—and I am sure that the department has reviewed exactly what happened—is there a different strategy perhaps that we can use for fighting forest fires? Did we learn something from that accident, or was it just a freak accident?

Mr. Cummings: The helicopter crash was one of the most unfortunate, tragic aspects of firefighting in the last number of decades I guess. There was a review done, I am told, by the department of its procedures and what may have led to that. It may have been unavoidable in the sense that certainly no one intended

the helicopter to end up in the location that it was. They flew into a bank of smoke, I believe, or fog. They were unable to keep their bearings. But certainly every aspect of that has been reviewed. A couple of changes have been made in terms of requiring the passengers of helicopters to keep their seat belts and their helmets on while they are in the air. There may well be some benefit that would have derived in that crash if that had occurred.

In a general sense, I can also indicate, and it is not directly a result of this accident, but it is a result of economics and safety, that the department has upgraded the helicopters that we are leasing for this coming year. It is more money, but we believe we will be able to transport more people with less flights obviously, and there is a larger margin of safety. Obviously, the equipment that we were renting was competent and the pilots were competent. It was unfortunately a very sad accident.

Transport Canada recommendations, I am told, were implemented. The one thing that I did not mention was that they said there could also be increased co-ordination of flights. I am sure the member is more familiar than I am with the procedure that goes on at a fire and the co-ordination of the equipment fighting the fire, the bird dog planes and the helicopters being in the initial attack along with being followed up by the bombers for co-ordination with the ground crews. It is all highly co-ordinated and highly successful. It was indeed a tragedy that these men lost their lives.

Mr. Jennissen: My last concern to the minister, perhaps, does not directly relate to his department, but I will ask it anyway because a number of people in Leaf Rapids lost their homes—this was the aftermath of the fire—specifically a number of trailers. Some people told me they could not get insurance for their trailers when they had bought these trailers a little bit earlier, so they lost their homes. Whichever emergency system we have in place to give these people some recompense, some of these people never received any compensation whatsoever.

Now I do not know all the rules and regulations, but all I can tell the minister is that there was a great degree of unhappiness about that, the feeling that what are emergencies for. Money for emergencies, what is it

for? And if this is not an emergency, what is an emergency? Now I know that insurance companies had all kinds of rationale about not insuring those homes, or people told me they could have insured them the year before and then they would have been covered. The reality was that some people lost their homes and were never compensated.

I am just, I guess, asking the minister if he would lean a little bit on the Minister of Government Services (Mr. Pitura) or whoever is responsible for compensation, because certainly there are a number of northerners who are very unhappy about the level of compensation they received, or none.

Mr. Cummings: Mr. Chairman, I might need a little bit more details of the question the member is asking, but as I understand some of the problems, we do not normally pay for assistance where insurance is available, but there seems to have been some problems with coverage in this area and whether the insurance companies were prepared to pay.

I think, and I am guessing here and that is not a good thing to do on the record, so maybe I should ask him to supply a little bit more detail, but I am assuming that one of the problems is that this might be considered an act of God, or, in fact, people did not have insurance.

Mr. Jennissen: This is my last statement before I turn it over to my honourable colleague for Rupertsland. As far as I understand it, several of the people that owned trailers could not get insurance. They tried to get fire insurance but the insurance company would not cover them in that dangerous season, so it was not like they were not wanting insurance. They just could not get it. That is the serious concern I have.

Other people claim that they have lost a lot of equipment they normally would not lose. It was not insured but their livelihood depended on it, including skidoos and trailers and, in one case, material belonging to a fellow that kept a lot of dogs and so on, a lot of other stuff. Their argument was basically this is an emergency. If there is money there for emergency situations, why is it not given to us? The logic they use, and I will simply repeat it—not to make anybody feel bad—if a southern farmer got flooded, there would

certainly be compensation. How come when a northern trapper gets burned out there is not any compensation?

Mr. Cummings: Well, the member can tell them they are wrong.

* (1500)

Mr. Eric Robinson (Rupert's Land): I do have a couple of questions for the minister. I want to take this opportunity to, of course, congratulate him on his new appointment, his new ministry.

I would like to ask the minister if he could provide a list of firefighting contracts in the southeast of the province, particularly in the communities of Bissett, Manigotagan, Hollow Water and Sagkeeng, and out of this list if you could tell us who got each contract and how much they were for and what procedure was used in choosing these contracts, as well as who has received those contracts in the last four years. Perhaps I will use that for another question, Mr. Chairperson.

Mr. Cummings: Yes, we can provide that information. I intended to bring with me a letter that the member had forwarded to me earlier, and if my staff is listening they may be able to bring it down to me, where he was writing to me and the department concerned about a contract in the area of the Sagkeeng First Nation, I believe. I do not have that answer with me, but we certainly will provide it.

The initial information that the member, in fact, provided was the local community was short on the tender, that they were not high by a lot but they were high by a little bit, and he wondered if we would use, or implied that perhaps we should use, a local preference in terms of awarding the tender. I have to tell you that that becomes very tricky. You can have, then, a situation where two or three local people might all be involved in the tender, and then you are still choosing between local people.

I know that there is an attempt to hire people as locally to some of these situations as possible. When your tendering in advance, your object is obviously to have qualified people that you can work with who are either trained or who can be trained. We do not have

any further information with us at the moment, but I will get that information for you.

Mr. Robinson: Mr Chairperson, perhaps I could request through this committee or through you to this committee that perhaps tabling a list of all the firefighting contracts for those communities that I indicated, Bissett, Manigotagan, Hollow Water and Sagkeeng, be provided by letter, and I would be able to report to the constituents that are, no doubt, concerned about that. So if I could pose that question to the minister, I could carry one with a couple of other questions that I do have here.

Mr. Cummings: That is agreeable. We will provide that information.

Mr. Robinson: With reference to the minister's earlier comments on the contract in Sagkeeng. The company is called Courtander. It recently lost a bid by \$722.80 on an overall contract of, I believe, \$63,000 for tree planting. Now, this contract was lost to an Ontario-based company. What essentially is happening here is that 30 summer jobs are being lost in this community which is no different than any other First Nations community in this province where unemployment is in a neighbourhood of 80 percent.

Now taking into special consideration, consideration for the special needs of First Nations people and the high unemployment that they must face on a regular basis, our query to the minister with respect to this issue was that if special consideration could be given to this company that is providing local employment. The question, I guess, to the minister is simply what is his position with respect to this contract.

We certainly understand and appreciate the position of the government, but there are no guarantees that this Ontario-based company will provide employment for the First Nations people of Sagkeeng that desperately need employment for that period of time.

Mr. Cummings: Mr. Chairman, the member asks me my position. I have some significant sympathy for the concern he puts forward, but I know every time we try to provide special circumstances where people are tendering for contracts, it causes a situation where, it

does not matter who gets it in the end, you are going to have some hard feelings.

This is an area close to Pine Falls. Sometimes private industry has a little bit more freedom to provide local preference for these types of operations. Government does have an obligation, as well, towards local job creation and opportunity, but the fact that this is an Ontario company may be a negative. I would ask the member to consider the fact that this is an industry where the companies who are tendering do travel from jurisdiction to jurisdiction, and they do hire seasonal people to assist them with the jobs on a seasonal basis, obviously, but if we were seen to be providing a local preference against, in this case, out-of-province tendering, it gets increasingly difficult because it could easily be that some people living at Sagkeeng may be contracting with a company that is bidding in Ontario, and the retaliatory action could also be devastating for those who do not get the contract. I will check the circumstances around this tender. I recall the letter. I read the letter that was written, and there were some comments made about the location of the work.

We really have been trying as a government, in the broadest sense, to make sure that there are open boundaries because we, for example, have the capability of producing seedlings in this province that contract and tender against other producers in other provinces. I can assure him that it would be rather violently opposed if we were seen to be violating the principle which we have been espousing nationally, that we should easily be able to transgress provincial boundaries. I personally do have sympathy for those who are looking for work close to home, but I would be doubtful if there is much I can do about this particular situation. But I will review it.

Mr. Robinson: I do indeed look forward to the response that the minister will be putting forth by way of letter, as I understand it, with respect to a concern that was raised by this First Nations-run company in Sagkeeng. Certainly, we support First Nations entrepreneurship and, of course, employment in a very desperate situation. Sagkeeng is no different than any other First Nations community where 90 percent unemployment is not out of the question.

I also would like to refer back to my earlier question and that was if the minister, by way of letter, could provide me with information on contracts that have been awarded to those other communities that I indicated; Bissett, Manigotagan, Hollow Water and Sagkeeng. If he could provide those contracts that have occurred over the last four years, Mr. Chairperson, through you, I would like to make that request of the minister.

* (1510)

Mr. Cummings: I am not denying the request, but did I just hear the member say four years? I thought he was talking about the contracts we were letting this year.

Mr. Robinson: Just to make myself clear, yes, I did request the last four years.

Mr. Chairperson: Any other questions?

Mr. Struthers: Just a couple more on the Fire Program before we move on to the resource programs. Yesterday, the minister indicated that there was an upgrade of helicopters and that suppliers were tendered out already and that seasonal staff was contemplated at least to be hired and the training is going to be in place. Those are some of the things we were talking about in terms of readiness for the fire season. [interjection] That is right. My colleague from Flin Flon talked briefly about the incident that took place with the helicopter and the deaths last year, and the minister talked about that a little bit, as well.

Can the minister indicate, in terms of the helicopters that are being upgraded, are they upgraded in terms of safety, are they upgraded in terms of capabilities to fight the fires, or both?

Mr. Cummings: Mr. Chairman, they are upgraded in terms of their power and obviously their carrying capacity and their size. That amounts to—well, you would have to ask an aeronautics expert, but I believe that would, under heavy load, probably gives them more lift, particularly if they are not fully loaded, I suppose. It is like a lot of other things, there is an optimum size and then there is a maximum size, and then there is a minimum size.

No flight rules have ever been violated, or certainly none that I was aware of in this case, but the problem is that, as with any aircraft, if you have surplus power you probably have a wider range of opportunities to react under certain situations if you are not fully loaded. Remember that these helicopters and the water bombers operate under some pretty nasty situations—updrafts, visibility and all of that. I am sure the families of Mr. Skwark and Mr. Moose and Mr. Spence must be concerned about those things, but this is also the first time that there has been an accident of this nature in a long time, actually a decade ago.

Mr. Struthers: I understand that making upgrades to the helicopters, including the power and the carrying capacity and the size, has a safety element to it, but is there any other specific safety upgrades that have been contemplated for the helicopter?

Mr. Cummings: I will provide the details of the numbers and the lift capacity, for that matter, of the helicopters. I do not know if it would mean any more to the member than it does to me. I am not aware of any specific safety upgrades in respect to firefighting that are included. The people who contract these machines are doing so on the basis of so much per hour, and I believe there is a base minimum, obviously, that they would contract for, but we compete with other jurisdictions for this equipment. There may well be Manitoba-owned planes in B.C. for all I know, but there are also B.C.-owned helicopters in Manitoba. It is a tendering process. I do not think there has ever been a shortage of companies competing for the tender.

The reason I mentioned the upgrade of the helicopters is I wanted to assure the public, on the record, that we deliberately asked for a larger machine this year, and we believe we will get those savings back partly out of hours flown because they will carry more men to remote sites more quickly and with fewer trips, obviously, and carry a bigger payload.

The member mentioned that we were getting ready earlier. I want to remind him, we also said that we were purchasing and locating the supplies in areas that we might anticipate that we would need them.

Mr. Chairperson: Shall the item pass?—pass.

Resolution 12.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$32,848,200 for Natural Resources Regional Operations for the fiscal year ending the 31st day of March, 1998.

I am just going to make sure. I am going to go back. It was 2.(g) Fire Program (1) Salaries and Employee Benefits \$2,760,100—pass; (2) Other Expenditures \$7,254,000—pass; Resolution—pass. Just to make sure.

Item 3. Resource Programs (a) Water Resources (1) Administration (a) Salaries and Employee Benefits \$273,900.

Mr. Struthers: Before I start with the questions that I have I am just going to defer to my colleague from Selkirk who has some questions having to do with this line.

Mr. Gregory Dewar (Selkirk): Mr. Chairman, I want to thank my colleague the member for Dauphin for allowing me this chance to raise a few questions. Of great concern, of course, to constituents of mine and those individuals who live north of Selkirk—of course, not only those but I guess any of us who live in the Red River Valley—and that is the concern regarding the potential for severe flooding in this area.

I would just like to ask the minister if he could in a broad way just enlighten us as to the effects the most recent snowfall over this past weekend will have on the current flood forecast.

Mr. Cummings: We will not know until later today when I get the most current information from the department. They will be releasing the information tomorrow morning I believe. They are compiling that information right now. I think it is safe to assume however that it is not going to be good news. The melting conditions that we had up until the storm on the weekend were favourable, and we might well have seen some of the risk reduced. It would be a fair guess to say that the condition now will still be a status quo which is that we are likely to see as much water as we did last year.

Mr. Dewar: I thank the minister for his answer. Clearly it is of grave concern to all of us. We know we are dealing with a force that is much stronger than any

of us can handle or can deal with; that we can control. We had a meeting in Selkirk on the 26th of March and representatives from the Water Resources department were there. I want to just thank the Minister of Family Services (Mrs. Mitchelson) and the Minister responsible for the Emergency Measures Organization for sending representatives out there.

It was very much appreciated by the individuals who attended that meeting. There were several hundred individuals who attended that meeting. They had a number of concerns, clearly sandbags—from sandbags to the state of emergency and so on. There was one issue that was I think of graver concern than others and that was the floodway and the operations of the floodway and what the effects of the opening of the floodway have upon those of us who live north of the spillway when the floodway empties into the Red River just north of Lockport.

* (1520)

I have an information sheet that was issued by Manitoba Natural Resources, the facts behind the floodway. One of the questions that is on the sheet—does operating the floodway aggravate flooding south of Winnipeg? I am concerned about how the opening of the floodway and what effects that would have upon those individuals who live north of Winnipeg and north of the spillway. There was concern at the meeting, and I have heard it from many individuals, that, in fact, when the floodway opens up there is extra water north of Lockport and in the Selkirk, St. Clements, St. Andrews area.

Can the minister just make a general comment on that, please?

Mr. Cummings: Mr. Chairman, the floodway takes water by the downtown area of the city of Winnipeg. It does not increase, I do not believe, the amount of water going out into Lake Manitoba to the extent that it would cause flooding in the area that the member is concerned about. I think his biggest concern should rest with the fact that ice jams could cause rapid and severe flooding such as occurred last year. If the member will give me a moment, I might even be able to quote the—I should leave my comments at that.

I am confident that information that I have been given is that the greatest danger to the Selkirk area is the flooding. I can get him the cfs numbers that are appropriate if he wishes. I take it his point was that he believes there is additional cfs going past Selkirk because of the floodway than if the floodway was not there. I would think the same amount of water is going to go down the Red River or just go down a few streets on its way through the city if the floodway was not there.

Mr. Dewar: Well, I certainly do not want to dispute the many beneficial effects that the floodway has had upon the city of Winnipeg, but the concern is there that as the Red River between Winnipeg and Selkirk meanders along and, in fact, slows down the flow, 100 percent of the water enters at the floodway gates, 50 percent goes down the Red and 50 percent goes down the floodway and then joins up and there is 100 percent again—but the concern is that, in fact, while the Red meanders along, it slows down the flow, and the floodway for the most part is a straight ditch and when it is opened, the water just rushes down, and it gets to that area quicker. That is a concern, that there is more velocity in terms of the flow as opposed to quantity, and there is just a concern when it opens up.

So to the minister, can you guarantee that that is not the case?

Mr. Cummings: Mr. Chairman, I had not anticipated a question on the precise cubic feet per second that can go down through the Red at flood stage with and/or without the floodway. The member says he does not want to dispute the value of the floodway, the by-pass associated with it. He should also remember that part of the flood protection program that Duff Roblin, with the foresight that he had, put into place included the cutoff on the Assiniboine at the west side of Portage. So I could, with tongue in cheek, argue with the member, well, how would he like the Assiniboine running full bore down the Red with or without the floodway? You would have a lot more water coming any way. So it is a bit of a specious argument, and I am sure he is not asking it mischievously. I am sure he is asking it on behalf of his constituents.

But let us be fair. I do not think there is a quantitative issue here. There may well be a perception

of velocity. I am sure the water does come more quickly down the ditch, but remember that it is not nearly as big as the river either. It is taking a portion of the water, and it is artificially constructed and therefore quite a straight run. But we need to be vigilant about ice jams in the Selkirk area. The member, in the meeting he co-ordinated and another gentleman out there co-ordinated, there was a lot of talk about how you get the water and the ice to flow more easily remains to be seen—the efficacy of drilling holes in the ice or whether there is potential for dynamiting.

The department, to its credit, has done a fair bit of research and talked to people who have had experience in dealing with these matters including talking to people from further north and other jurisdictions about the efficacy of dynamite in getting the ice to move. I would only remind the member that while we can prepare for as many eventualities as we can envisage, I believe from what I know of the facts that we just saw the perils of dynamiting in the flood situation in Moose Jaw this spring where they had a flood situation and they dynamited the ice jam that was causing it. The ice moved all right, then jammed again and flooded another area further down and I think caused an enormous amount of damage to a bridge in the process, maybe took it out.

I do not recall all the details, but I remember thinking this is not idiot-proof. There can be a lot of serious ramifications as to how you handle these situations, and each one will have to be dealt with on a one-by-one basis with the best knowledge available.

That is the guarantee that I give to the member and to the people of the low-lying areas around Selkirk, that the department has contemplated the problems and is certainly receptive to the information, the requests and the advice that they have been receiving, but my caution is nothing is foolproof. We may have to make some decisions based on the circumstances of the hour, but we need to be prepared for as many eventualities as we can envisage.

My hope is that we will find the ice levels not to be as difficult to break up as they were last year, but that is still quite unpredictable. I really do not know until I have had further discussions with the department what their judgment of the present ice conditions are, but we

know that the surface ice has firmed up again, that is for sure.

* (1530)

Mr. Dewar: There was a suggestion from an individual at this meeting that the floodway be opened in stages as opposed to all at once. Now, I do not know how feasible that is, but is that a possibility?

Mr. Cummings: I will rely on the best advice of the engineers for that. I do not know what the ramifications would be. I suspect there are some significant pressures that will come into play when you start to move those gates, and you might not want to just half do the job.

Mr. Dewar: Another issue that was raised was the notice given to residents who live in the St. Andrews and the St. Clements area regarding the opening of the floodway and the effects that they feel it had upon the level of the water both in the river and eventually, unfortunately, in their backyards and in their homes.

Is there any way—can you explain to us or enlighten us as to measures that you are taking to inform those residents and enhance that notification in some way. I believe members that were there, individuals who were there, were saying they received notice 2 a.m., and some people did not get any notice because of the time. There is just a concern that when the floodway opens up all this water comes rushing down and it may be jammed. Of course, it is there because it cannot go any further north, but people would like to, if it is possible, get advance notice of when it does open so they can take some type of action to prepare for that.

Mr. Cummings: Mr. Chairman, I was part of a briefing where the department was reviewing what it could do to make sure there was appropriate advance notice, and we will do everything to make sure that occurs. Ultimately, that will depend on a number of factors to when the gates will be raised. Yes, we can attempt to put out the information perhaps, that if they listen to a particular radio station or to their radio and have the information put on as many radio stations.

The alternative is simply that we have to have somebody there 24 hours a day because it is not just the

opening of the floodgates, it is if and when an ice jam is created.

An Honourable Member: I think the deputy minister ought to volunteer.

Mr. Cummings: Well, we could volunteer the deputy minister. I know I have some staff in my office who would be glad to participate.

Mr. Chairman, I hope the member for Selkirk also encourages his constituents to continue in the same vein as they did when they were providing advice and providing thoughts about what could be done to alleviate the problem. Frankly, we will need assistance in being aware of some of the problems as they arise. I mean, every department, every resource in the city, as well, is going to be strained when the peak water levels hit or when we are starting to open the floodway.

The fact is I think hourly is not too often to be checking whether or not there is potentially an ice jam when the river is at that stage when ice jams could form, because flooding will occur that quick in some of those areas. So I suppose I should put on the record right now that people who anticipate they could be flooded as a result of something like that should be taking appropriate action now, because they will not have an awful lot of time to get out the hip waders.

Mr. Dewar: Mr. Chairman, of course, the area residents, they are in a lot of cases—and I just want to congratulate the municipalities in the area who have been working very diligently to prepare their constituents for any flooding potential. I recognize that the minister has opened up a flood liaison office in Selkirk, and I think that is useful, and I know that will be very useful.

He mentioned some innovative ways of breaking up the ice, and, of course, you mention the so-called Swiss cheese concept. I had a chance to observe the holes that are being drilled in the ice to weaken the ice. Is that still underway? Along with that—I know they have been doing it now for a number of weeks. Since then, unfortunately, the weather has deteriorated and gotten quite cold, and I am concerned about the holes that were drilled in the early stage. Are they still open or have they frozen over? I know there is not a lot of

snow cover over the ice, and as an old ice fisherman I know it does not take long for your ice-fishing hole to freeze up. Has he had a chance to monitor that situation?

Mr. Cummings: My comments ought to be somewhat general on that, Mr. Chairman. I have not had an update. They were scheduled to be drilling holes up to and including today, I believe. I am not sure how much the storm slowed them down. I anticipate they probably lost two or three days as a result of that. So I cannot answer that question where they are proceeding.

I think I should put on the record, however, that we are not sure what effect the drilling of the holes will have. I mean, we will certainly be monitoring that, and I am sure the people who are along the river will be watching, as well. Anything that can be done to keep the ice moving, obviously, we should try.

The same thing holds true of the question about whether or not a hovercraft could have come in to do some good. I wanted to reiterate what was reported in the paper and on the radio quite accurately, actually, but it should also be repeated here that the advice was given that, yes, a hovercraft could do the job, but there are only two in Canada that are big enough to do it. One of them is under contract to the Coast Guard working in Quebec and the other one has been sold.

There are other hovercraft. I do not think we were knowledgeable enough to know the capabilities of the various machines, but we have been told that the only ones that would work under these circumstances, after having had it looked at, and the person, in fact, I believe was the captain of this one hovercraft, that it would have to be the large type that would do it, but nevertheless a useful suggestion. I would be interested to know if the federal government would like to provide the same type of protection in our situation as they do for some 10 rivers in Quebec where they are using the hovercraft.

One of the issues, I suppose, is that it has to work on the edge of open water. I am not sure what the reason is. It probably has something to do with the forces that it can apply. That may not even be correct. That is what I have been told. I should not perhaps be putting that on the record, but I know the weight of the

machine and the force that it can exert is limited to the two that I mentioned, otherwise we would not be able to do it.

* (1540)

Mr. Dewar: Mr. Chairman, I am glad the minister raised the issue of using a hovercraft. I was going to get into that now, and I was quite interested and intrigued by the idea. Somebody brought the idea forward to me in January. As the minister knows, I sent him a letter asking him to look into it, and I am glad they did.

It is my understanding they require—or the Quebec consultant recommended that you required a hovercraft of 50 tonnes. Is that correct?

Mr. Cummings: I forget the exact tonnage. I believe it might be 40, but at least it is a very large machine of which we know there is only one in Canada right now.

Mr. Dewar: Mr. Chairman, clearly 40 tonnes is a huge vessel, and I understand that requires a special skirting, as well, in order to do the job.

Individuals in the area, and again who were at this meeting and other meetings that I have attended, talked about ice jams and how that compounds the problem. There is a feeling that if the ice was to be broken up all the way to what is locally called the cut, which is where the Red River opens up into Netley Lake and Devils Creek, and I am familiar with that area, that, in fact, they claim that is how far the ice, the river, would have to be broken up because of the low nature of that area, and the fact that it is basically a lake, very low land, and they claim that is how far you have to break up. You do not have to break up any further north, and the water would simply spread out into the area.

I witnessed that last year. I had the opportunity to fly over the area, and yes, that whole area was one lake. So it is just a comment that perhaps—I know that you are drilling in that area and encourage you to continue with that. Residents see that as a hopeful sign. As you say, nobody really knows as yet as to what effects it would have upon the river and unfortunately the hovercraft idea is unworkable currently. I do encourage the minister to approach the federal government to see

if we could use this in another year, as we know this is something that could happen again.

I understand that you are also using the concept of drilling holes at the Assiniboine diversion this year.

Mr. Cummings: I do not think I can confirm that, but I know the issue at the diversion was related to, again, where the diversion goes into the lake and the ice could not discharge and eventually jammed up. I cannot confirm that it has occurred, but I know that it has been discussed.

Mr. Struthers: Mr. Chairperson, I want to repeat the offer that was made by the Leader of the Opposition not too long ago; an offer of co-operation when it comes to dealing with the amount of water that we are going to have come flowing across our border from the United States. I want also to know if there has been any correspondence with the state governments at Minnesota or North Dakota having to do with any of the projects that the Americans may be contemplating that will show an increase of water north through the Red River Valley; if there is any correspondence that the minister is aware of that indicates any movement at all on the part of the Americans.

Mr. Cummings: I am not sure if the member is referring to Devils Lake or if he is referring to generically any projects south of the line. There are a lot of projects that have occurred over the years on the tributaries to the Red that, in fact, reduce the flow of water retention to the point where not that long ago we were concerned about the low levels of the Red in the summertime because of what was deemed to be a problem with the amount of retention that was going on south of the border.

If he is referring to Devils Lake and/or Garrison, which are not flood issues particularly in terms of spring runoff, I do not believe—there is the potential, I suppose for additional discharge, but the real issue is that they have a flood with a lake that has no outlet realistically and, yes, there is correspondence with External Affairs through Minister Axworthy, Governor Sinner. We have had direct contact on a number of other areas, but those would be the ones that the member I am sure would be interested in.

The Premier (Mr. Filmon) has been directly in touch with Mr. Axworthy and with the American officials, as well, by expressing our concern, but I notice in news today, and I suppose I should wait until I have seen it confirmed, that Minister Axworthy says he has wrung a commitment out of the Americans, and I use the word advisedly, that they will allow us to be part of the process in determining what should happen around Devils Lake. I am going to choose my words carefully because I am sure eventually our American neighbours will read them, and we are concerned that if they are thinking about any potential discharge, the answer, as far as we are concerned, is no.

There are number of things that revolve around that, and generically you can say biota. You can also say non—I am using the word “natural.” That is not what I mean to say. They have imported varieties of fish in Devils Lake that certainly are foreign to our streams. They were asked a long time ago if they would do an inventory and tell us what was there. We wanted to know, and if they were going to continue to talk about any kind of a discharge, it was our assumption that they would want us to know. I am told that has not occurred. If it has and I am unaware of it, then that is fine, but I think that is really not even the issue.

The issue is that we have no level of satisfaction, and we are not interested in receiving water from a lake that does not normally have a discharge, and we have got enough problems with our fisheries without importing any. I think I put on the record with the Leader of the Opposition (Mr. Doer) that, as I recall, there are a couple of outlets that they could use. One is to Stump Lake which still does not allow for a discharge into our watercourses, but historically you can also show that this lake has been higher. It just did not have cottages around it when it was higher.

So I have a great deal of sympathy for the people who have property that they are losing there, but they cannot just ignore the problems that it might cause for us, and we are asking them not to discharge, telling them that we are unwilling to accept.

Mr. Struthers: I thank the minister for the answer. I brought it up sort of in the short term, thinking having to do with floods and the fact that we are going to be up to our eyeballs in water as it is in this part of the

province, and we did not need any more water coming through this year or into the future. But the minister quite rightly flags the bigger issue, as well, with the biota and the foreign aquatic life that will be heading our way if the project goes ahead as we have heard that the plans call for.

Mr. Chairman, that should wrap it up for that line.

* (1550)

Mr. Chairperson: Should the item pass? The item is accordingly passed.

3.(a)(1)(b) Other Expenditures \$393,300—pass; (c) Grant Assistance \$25,000—pass.

Mr. Struthers: Mr. Chairperson, where are you?

Mr. Chairperson: 3.(a)(1)(c) Grant Assistance, on page 104, the very bottom, under Water Resources. We will now go to page 105.

Mr. Struthers: I just did not want you to get past Water Licensing.

Mr. Chairperson: (2) Water Licensing (a) Salaries and Employee Benefits \$633,200. Shall the item pass?

Mr. Struthers: We are under Water Licensing now.

Mr. Chairperson: Yes.

Mr. Struthers: Okay, good.

Mr. Chairperson: I am just going to correct something for Hansard in case I did not have my mike on.

(c) Grant Assistance \$25,000—pass.

Now we are on to (2) Water Licensing (a) Salaries and Employee Benefits.

Mr. Struthers: Mr. Chairperson, I have had a lot of people approach me about the possibility of changes being made to The Water Rights Act, a lot of concerns that have been expressed to me. I would like the

minister to outline to me some of the changes that he has in mind for The Water Rights Act.

Mr. Cummings: That is certainly a big issue that is going to receive, before any changes are made, a considerable amount of public input and discussion. I would be interested to know the position of the honourable member, representing a rural area, on some of the regulatory aspects of The Water Rights Act, because this is a very controversial piece of legislation in all jurisdictions and one that lends itself to significant disagreement, pitting neighbour against neighbour in many cases.

I am quite prepared to acknowledge that there will not be any piecemeal revisions of water rights and general water control regulation. We need to have a process. I would anticipate something like the process that the Minister of Rural Development (Mr. Derkach) used for The Municipal Act, because there is going to be somebody mad no matter what happens in this act.

Mr. Struthers: I would like to maybe go a little further in trying to get a little more detail from the minister in terms of the changes from The Water Rights Act. For example, he wanted to know my position. I am all for public input, and that is exactly where the minister asked me what my position was, so I just exactly told him.

I would like for the minister to maybe start from the public input angle. I can understand that before any changes are made to this act he would want to get a great deal of public input, so I would like to know his plan for actually collecting that input from the public.

Mr. Cummings: I told the member he was not going to get much discussion or debate from me in this area, and I have pretty much told him my thinking as far as I have taken it in terms of identifying the act and other relevant acts that can be put together as a package for examination, but that is as far as my thinking has gone.

Mr. Struthers: Maybe the minister can tell me right now how many people are at his disposal to enforce, let us say, the violations that take place underneath The Water Rights Act. How many people does he have in place to monitor that and enforce this act?

Mr. Cummings: Lots. I mean, let us be reasonable. If we were to say we want an active sweep tomorrow to go out and start looking in every culvert and behind every bluff in rural Manitoba, we could probably muster a couple of hundred people, but that is not what we are doing and the member knows that. The fact is that there are more than just people who are employed in the Water Licensing side who could well be involved if there were seen to be infractions or complaints relating to the act.

Mr. Struthers: I do not think anybody expects the minister to have somebody lurking behind every rock and every bluff in rural Manitoba, but I think there are people who expect the minister to have enough Water Resources people in place throughout every region of the province to ensure that at least some adequate level of monitoring takes place. For example, I know that in my home town of Dauphin, there is a position that was vacated and to my knowledge has not been filled. I believe a position in Minnedosa, as well, has not been filled.

The people that work for Water Resources, do they not investigate the violations that take place under The Water Rights Act, and are they ever going to be replaced in those two areas in specific? I just give the minister those two as examples. Maybe he can fill me in on the other vacancies that have taken place over the years in Water Resources.

Mr. Cummings: Well, Mr. Chairman, in a department that has as many employees as Natural Resources does, there are bound to be some times when there are areas that are not filled. We just hired 18 new Natural Resources officers to bring them back up to full complement. It is not unusual that there might be some vacant positions.

Just so the member does not think I am bluffing, however, I looked at the last Natural Resources officers publication, and it had a picture of a Euc-[interjection] Euclid, a hydraulic-driven motor grader—coming down through a drainage ditch. The caption under it was, profile of a water rights violator. I mean, there are people such as NRO officers out there who can enforce, as well, if that is deemed to be necessary.

* (1600)

I do not want to pretend or give the member the impression that we are not concerned about The Water Rights Act, and my colleague the Minister of Rural Development (Mr. Derkach), I am sure, will point out to you the concerns that we have with some of the things that are happening in Saskatchewan, for example, under their water commission. I would suggest that it is not a problem unique to this administration or this jurisdiction and, in fact, Manitoba is downstream from just about everybody, and most of our problems do rise generally outside of our borders, but we can make them worse if we are not reasonable in the approaches that we take to our management of our own resources.

That leads to all sorts of discussions, and the reason that the water rights legislation and associated acts will not be likely changed is even related to the fact that we are reviewing conservation easements and what that should mean, because those may well be retention areas that could be included in conservation easements. So all of that becomes a linkage and a linked action in order to provide a sustainable development of implementation for the management of the water in this province, and it is not something we are going to take lightly. It is not something we are going to be rushed into either.

Mr. Struthers: Mr. Chairman, the last thing I would expect that the minister would do is try to bluff me. I have come to know the minister as somebody who is a pretty straight answerer of questions and somebody who would not even dare try to bluff a fellow honourable member in this House. If I thought he was going to bluff me, I would not ask the questions in the first place.

Having said that, though, I remember my very first experience at Estimates in asking questions about Water Resources officers in the region in which I live and was given the name Bob Lawrence, who had passed away some time before that. That is in excess of two years ago.

While I realize that it is a big department and the minister is not going to hire and fill a position a day after it comes vacant, we are talking in excess of two years in that particular case, and we are talking about a position that I believe gives a lot of valuable

information to the minister and his staff when it comes time to predict potential flood conditions or advice on water rights and licences and all the rest. Maybe the minister could take another crack at explaining the lag in the hiring of Water Resources positions.

Mr. Cummings: I did not quite catch the last sentence.

Mr. Struthers: I had asked the minister to explain why it takes so long to fill the positions that become vacant, that could actually help in making decisions when it comes to water rights and flood forecasting and all the water resource issues.

Mr. Cummings: Well, Mr. Chairman, there are always ongoing reviews of the required staffing levels in different areas, and the member should take some heart, I suppose, that no one has ever said that this is a position that should not be filled. It just has not been filled. We are continually juggling our hiring capabilities.

I do not want them, however, to confuse the fact that whether or not we have a Water Resources official there with whether or not we have monitoring capabilities, we may well still be getting the information we need for monitoring. I am sure there is work that a member of the branch could fulfill if we were in a position to fill that position, but I cannot advise him today whether we are or are not.

Ms. Rosann Wowchuk (Swan River): I guess I just want to follow up and share with the minister a little bit of background on the need for these positions to be filled. The minister is well aware that the Dauphin-Swan River area is an area that we have lots of runoff off the hills and lots of work that has been done on drainages that should not have been done perhaps and oftentimes requires people from the department of Water Resources to come out and deal with them.

One of those areas is Pine River, where there has been lots of drainage done without permission and which results in people downstream suffering because of it. I tried to have a meeting set up with the Water Resource people. It was supposed to be coming out of Dauphin. As it is, as my colleague has indicated, that one position is not filled in Dauphin and now the meeting was arranged with the next level. I am not sure

if it is Neepawa or Minnedosa where the Water Resources office is, but somebody was supposed to be coming. I believe a Berg Wopnford was the gentlemen, and he is retired now. As a result of that there just are not the people in the area to deal with these water problems.

So we bring this to the minister's attention, because there is a real need for resource water management in the area. We find that we now have one engineer who works in Minitonas and covers off the job in Dauphin, as well, so you have a person driving some 100 miles to try to cover off two jobs. I bring this to the minister's attention, because there is a real need to have proper water management in the area. I hope that he will take to heart our concerns and try to have these positions filled, so that we could have some better management.

There are moves to start a new conservation district in the area. We would hope that we would have the resources in place to follow up, but the question I have is—and particularly in the Pine River area where there was an awful lot of drainage done that was without permit as I understand and no follow-up. Could the minister tell us what his department does when this happens? Is there any follow-up work or is there any action taken to try to correct the problems that result downstream when there is work done that is on private land and results in water problems for people downstream? Has there been any act of follow-up on this, or is it just basically let go?

Mr. Cummings: Mr. Chairman, people in the employ of Water Resources and Natural Resources as a whole are involved in attempting to deal with these types of situations quite often; in fact, a lot oftener than they would like to be because they end up in the middle of the problem.

I think both the member for Dauphin (Mr. Struthers) and Swan River should remember or perhaps they know and do not care that a lot of the situations that we are likely talking about are situations where Natural Resources will only find out after the fact. One of the biggest issues that goes through the minister's office in Natural Resources is drainage. Every municipality in the country has a better idea about how to drain water onto the next guy, and they want the provincial government to pay for it. So it is not just—and I say that

a little bit tongue in cheek. Some are very responsible, but some days it seems like what I just said earlier, and the fact is that there are a lot of opportunities when good water management, better drainage on some fairly productive soils, even the opportunities to irrigate are very important to the economic success of the communities, but what happens too often is, and I am repeating this, that we find out after the fact.

I cannot emphasize too strongly that we do need some long-term planning, but it is not likely going to be successful if it is legislated from on high, and very often their time comes when the local communities have to say, well, it is about time we started having a say in how drainage is managed in our area. Maybe we are part of the solution and not just part of the problem, and I am not talking about councils. I am talking about the population in general in those communities where there can be—if you are on the high land you do not care, if you are on the low land you are at risk or maybe you get a crop when everybody else is dried out, but that is a difficulty. The fact is we need to have the long-term thinkers in our communities to be looking at watershed districts as much as possible.

* (1610)

Regulation is unfortunately often considered to be the simple solution, but it is very difficult to get ahead of. Once you have a situation where a farmer or a landowner, let us use the generic term, has spent several thousand dollars putting some drainage in on a half section, short of a court order and threatening him with jail, the only way you are going to get him to fill in those ditches is unspend the \$5,000 or \$10,000 he spent putting them in in the first place. I mean, that is the type of situation that you can face. I hope not too often, but that is what our people will run into out there. I know they run into it today.

Our government has taken a very progressive, I believe, and through the Minister of Rural Development (Mr. Derkach), an aggressive stance in encouraging communities to look at applying some local level management and responsibility in decision making. Those who want to be critical of that say, well, you are just passing the buck, you do not want to spend the provincial dollar. But the province has and, I believe we can continue to put money into local

conservation districts in a way that allows them to develop drainage plans, if that is what the need is in their areas. Conservation plans would be a better model, but it is generally impacted by drainage, and drainage, of course, relates back directly to municipalities and what they may be doing with some of the roadways they are putting in. There is a real reason for municipalities to want to be part of conservation districts. There is an opportunity to access some dollars, but there is an opportunity also to make some decisions.

I bet you every rural member in this House has heard the criticism, well, if I had been doing that I would not have spent \$150,000 putting in that set of culverts on that road. We probably could have done it for \$80,000. You know, that is the thinking that is out there in some cases, and that relates back to some of the negotiations that the Minister of Highways (Mr. Findlay) has had to go through, where municipalities have said, well, if you left us to manage the road, we can do it for half of what you are doing. When they put a pencil to their expenses, that is not always the case. Some of them have put their money where their mouth is, and there have been some really good progressive arrangements that have been made. I see conservation districts and some of the associated drainage problems out there as being part of that solution.

It might also relate directly to the crossings, because, in fact, in rural Manitoba—I have said this at enough public meetings that I am not at all afraid to put it on the record here—there are situations where we simply may not in the future be able to replace the crossings in a manner in which we have been putting them in historically. To begin with, when we put them in, you probably had trucks that were carrying three-tonne loads of grains crossing over the crossing, and I am talking about 100 bushels or so. Now you are talking about trucks that are not loaded until they get over 500, and they are probably pushing a lot of them at 600. Lots of trucks hauling from the combine today, at least in my area, are up in the neighbourhood of 600 and up, the number of bushels that they are taking away from the field. They have highway tractors on the front of them with big horsepower. When they hit a bridge that was built shortly after we quit using horses and wagons, you know what is going to happen.

So we end up in some parts where there are a high number of crossings, where we have to look at things like ford crossings which are eleven and a-half months of the year entirely acceptable. You have got to slow down a bit. There will be the odd time when the water will go over the ford crossing, but you will put it in for a third or a quarter of the high-cost road. You will not be putting it in on a PR, and you will not be putting it in on a heavily used road. You will be putting it in areas where alternative crossings, for the uses that they are being put to, have to be put in place. I am not talking about a downloading of expenditures. I am more concerned about the devolution of decision making, so that those who live close to those types of decisions can have some say about it and feel more comfortable ultimately.

I had a personal experience where a bridge was knocked down crossing a drainage ditch. The farmers who had that land wanted it replaced desperately, and I could not understand why until I asked him if that field went over to the next road. He said, yes. I said, well, is there not an approach over the next bridge and around the corner? In other words, there was another bridge a half a mile down from where the one was that was knocked out, and I was asking him if he could go another half mile down. He said, well, yes, I could, I guess, and you would not have to replace the bridge then, would you? The fact was it was a half a mile further for his equipment, but nobody had thought of the big picture because, ultimately, the next bridge half a mile down is going to have to be repaired or replaced, as well, because it was built to the older standards, as well.

So I tie all that to whether or not we have resource capabilities to enforce The Water Rights Act. It also ties into the big picture of local decision making about drainage and highways and roads crossings. That is on the drainage side.

There is the other aspects of management that are going to have to be implemented to benefit our communities in the long run. It need not be seen as anything other than making sure that the local authorities have direct input and the local affected people have some confidence in the decisions that are being made. The member should be prepared—if they want to aggressively encourage the enforcement of The

Water Rights Act, they should be prepared to take careful stock of the situation before they jump too far one way or the other: on the enforcement of regulations, because this is not an area that rural Manitoba takes kindly to regulation on.

Ms. Wowchuk: Mr. Chairman, I was not asking about whether you were enforcing on all the violations. I was asking about what help there was for people or whether we were prepared to help people when they were suffering as a result of it.

The minister talked about conservation districts, and I want to say to him that I am very much in support of conservation districts. We are just in the infant stages of starting one up in my area, one that I have supported for a long time and have been pleased to see it happening. As far as ford crossings, I really believe that is something we have to look at, as well. We are not going to get bridges on every road; in fact, I live in the LGD of Mountain and I was the councillor when the first ford crossing was built within my ward. The first ford crossing was built much to the displeasure of many people. They thought that we should be having a bridge there, but we convinced them that a ford crossing was the way to go and it has been very successful.

But with respect to conservation districts, what I want to know is, when the conservation district is formed, is it the conservation district that makes the decision on drainages and licensing of drainages, or does the government and the department of Water Resources still have a role to play in how drainage work is being done?

* (1620)

Mr. Cummings: The ultimate regulatory authority still rests with the provincial government. In fact, the conservation districts still must acquire environmental and water rights approval with their process. In fact, that improves the compliance, if you will, because as a public entity they know they have a responsibility to make sure that the long-term plan meets with at least some level of approval by another authority.

Ms. Wowchuk: Mr. Chairman, there are a couple of questions I would like clarification on, on licensing of

work. We had a serious flood several years ago. We are looking at high water again, and hopefully, it will not flood, it will all drain off, but when you have floods, you also have lots of damage on rivers and on drainages that have to be repaired very quickly. Can the minister tell me, when this happens, is it necessary that the municipality or the Highways department that is doing the repair work apply for a licence to do repair work in a river, or is it just understood that they can go ahead? I am not trying to ask a trick question here. I am just trying to ask the minister how this works when you have a situation where repair work has to be done as a result of a flood.

Mr. Cummings: I believe that in most cases where you are repairing damage to an existing water course, that relicensing may not be required. I would have to do—basically, it comes down to applying some common sense. I mean, if your idea of fixing flooding on the West Favel River is to straighten it out, then that might require a licence, but if it went across land and cut a new grade and you had to refill it, of course, that would not. The application of common sense is probably the best thing to consider, but starting from the criteria of an in-course repair, then it likely would proceed without too many regulatory problems.

But just on that issue, there are lots of situations out there that are developing, or not lots—there are situations out there that are developing where government is not going to be so anxious—I am not trying to speak for other departments; I am trying to speak in the larger sense of water damage and flood control—to pay for repairs if it is something that has potential to be damaged every fifth year or something.

My own feeling is that there are a lot of situations where perhaps those types of fragile situations might be better returned to public ownership but still have some kind of a reasonable approach to allowing the original landowner and/or his successors to have access to it. The public purse cannot, in the long term, continue to provide repairs year after year in an area that we know is likely to be damaged. Eventually, someone has to ask, why is it being damaged, why is it always requiring repairs? That enters into a lot of things that are, frankly, peripheral to The Water Rights Act, as well, because sometimes our drainage actions can contribute to that or they can solve it.

(Mr. Jack Penner, Acting Chairperson, in the Chair)

Ms. Wowchuk: Mr. Chairman, I have to say that I agree with the minister that in many cases there are areas that, if the owner of the land does not take also some responsibility to keeping his land grass down or in such a condition that it is going to be continually eroded, there comes a point where you have to say that you have a responsibility, as well, to ensure that that land is not eroded. I guess I would be pleased to hear whether there is the possibility and whether the public would consider the option, as you say—as the minister has indicated—of taking back some of this land to become public land rather than to spend continuous amounts of money on it.

A technical question, as well, again, I wanted to ask the minister—and it might not be in his department, but I think it is. When there is repair work being done to river damage, is there any regulation by the department as to the type of equipment that can be used to do repair work? For example, are there any guidelines that say a certain type of piece of equipment cannot be used in the river but that another type of equipment can be used when working in water?

Mr. Cummings: I do not think so. I think you might be looking at workplace safety situations, but the member is thinking about equipment that has potential to leak transmission or something like that. I suppose that is only a practical responsibility if someone were to be seen to be polluting, they would be in more trouble than they might want.

Before we go too much further, though, I want to make sure that the record shows that when I talk about taking back fragile lands for public ownership, that becomes an option on what I hope would normally be rare occasions when there is—I am certainly not advocating that large tracts of private land be returned to public ownership. In fact, under a lot of circumstances, private land is better protected than public lands. I wanted to tie that directly to conservation districts and why I am a supporter of conservation districts. The long-term educational value and the appreciation that operators begin to have for their land, when they are part of a conservation district and working with the people that are locally hired in

local boards, situations begin to improve very noticeably over a period of time.

Ms. Wowchuk: Mr. Chairman, I want the minister to know that I was not advocating for the government to go and buy large tracts of land. I was advocating that we work together with farmers to ensure that when we have sensitive areas—and conservation districts is one of those ways that it can be done where we would see land that is vulnerable—left under cover, I think in many cases, it can be encouraged to do tree planting, things like that, to stabilize. It would be very helpful.

Again, when I was asking about equipment working in rivers, I was not thinking about workplace health and safety issues. That is another department. What I was thinking about was, I have been advised, or told, that there are only certain types of equipment that can work in rivers. I do not know where this regulation comes from within the department that says there is a restriction on equipment that can do river repair. I do not know if there is a restriction that says that you can only use dragline equipment. I have called some places, and I cannot find it. It was a concern that was raised by a constituent who says only particular equipment can be used. So if the minister does not have the answer, if he could have it checked for me to let me know if there is some restriction.

Mr. Cummings: Mr. Chairman, the only thing I could think off the top of my head is that there undoubtedly would be, whether in our area or in a municipal area, when contracts are being written, certain types of equipment may be required in the contract. That is more likely associated with getting value for dollar.

Ms. Wowchuk: Mr. Chairman, again to do with water. We might have passed the part that I want to ask about. I have raised the issue of the waste and bark that is being put in areas along—the minister raised the West Favel River and the concern that has been raised by people downstream, particularly the people who live at Indian Birch and Shoal River, the two reserves, which are at the end of the stream where we could have material getting into the river.

Can the minister indicate whether his staff has done any work on this, or looked into the possibilities, or has been involved with the Department of Environment in

looking at whether this material is too close to rivers and whether it will, in fact, end up in rivers this spring with runoff?

* (1630)

Mr. Cummings: Yes, there is no doubt that the two departments have been working together. This goes back to, I suppose, the test of reasonableness. The member has raised the issue with my colleague the Minister of Environment (Mr. McCrae) about the potential for pollution with vast amounts of chips being put in inappropriate places. The only toxicity that I am aware of that occurs around this is that, if there are huge amounts that are piled in a particular area and left to decompose, a certain chemical weeps out of the chips. But remember that same thing happens when a tree falls in the forest. We are talking about returning a natural product back to where it came from. [interjection]

The member for Dauphin (Mr. Struthers) is indicating small amounts of waste. I do not suppose he wants to spend the rest of the time talking about this in Natural Resources Estimates. I would caution both members not to overstate what I know is intended to be a reasonable solution to a situation where L-P, because of the nature of the cut that they are getting right now, has had more bark than was originally forecast. That is not that bad a thing. There are feedlots out there that would just love to have some of this material to create the feedlot bed for the drainage that their stock might not otherwise have available to them. This is first-class stuff.

Now, there are only so many feedlots that you can supply, and that raises a whole other question, of course. We do not need to get into that. The Department of Environment and Department of Natural Resources have always worked very closely together. If the Natural Resources officers find something that they find objectionable that would be regulated under The Environment Act, then that is what happens.

Mr. Struthers: I think we can pass that section and go on to the next one.

The Acting Chairperson (Mr. Penner): Item 3. Resource Programs (2) Water Licensing (a) Salaries.

Mr. Neil Gaudry (St. Boniface): Mr. Chairperson, there has been a lot of discussion on drainage, and there is just one question here. I would like see an update, if anything has happened with the Wagon Creek drainage in Stony Lake in the R.M. of St. Laurent. I met with the previous Minister of Natural Resources and the member for Lakeside. I would like an update to see what has happened since last November in the discussions.

Mr. Cummings: Mr. Chairman, I could report that there has been survey work and discussions that have occurred, but no conclusion has been reached. The smiles on our faces are not that we take it lightly. It is that I was just checking the veracity of my deputy's memory, but he assures me that that is the stage that it is at.

Mr. Gaudry: There was discussion about the funding in regard to—at one point there was a discussion of \$1 million, but then there was an option of a lesser funding. They are diverting it into Shoal Lake rather than into Lake Manitoba.

Mr. Cummings: Yes, I am informed that there were options discussed regarding phased approach to it or even optionalities for construction. Is that what we are referring to? We are quite prepared to continue discussions, but it has not yet been met with approval on either side. Cost-sharing enters into it, anything that can be done. As we were discussing earlier on drainage, it is, in fact, an issue where we need to make sure that we have a local buy-in, not only in the dollars, but also in the benefits that occur.

Mr. Gaudry: I would just like to say that I appreciate the comments from the minister. I know he is new in this as a Minister of Natural Resources, and I would like to congratulate him on the new appointment of Minister of Natural Resources. I am sure from previous associations with the minister when he was Minister of Environment—it has always been a pleasure to work with him. I would like to reiterate this again.

I will pass on the message to the farmers who were affected in this area last summer with the drainage problem, and I am sure it will be addressed properly for the R.M. and for the farmers of R.M. of St. Laurent. Thank you.

The Acting Chairperson (Mr. Penner): Item 3. Resource Programs (2) Water Licensing (a) Salaries and Employee Benefits \$633,200—pass; (b) Other Expenditures \$32,400—pass.

3.(3) Water Planning and Development (a) Salaries and Employee Benefits \$1,036,800.

Mr. Struthers: Mr. Chairperson, as I was going through the Estimates book in front of me, I noticed that one of the sentences that appeared on page 60 under this section is an expected result in the “reduction in the number of unlicensed drainage work and reduction in the number of drainage disputes.”

Now, there are some figures from both disputes and from unlicensed drainage works. Are there are some figures that the minister can provide me to indicate whether that result has been met this year, whether he is happy with the number of unlicensed drainage works, the reduction of them or the reduction in the number of drainage disputes?

Mr. Cummings: The member was asking—I am not sure if he was asking whether this meant something in dollars. I would point out that the lines he is referring to are Expected Results as a result of the identification of the activities that the branch would be undertaking, and that is definitely one of their objectives with expected results.

If he is asking can we give him a demonstration of whether or not that has occurred, we would have to research the number of times or, I suppose, virtually the number of charges. I would think the number of charges are pretty small because mainly the people in this branch who are involved attempt to mitigate and negotiate and reach amicable solutions to the problems, but knowing that they have the force of the act behind them when they are doing that.

So I would ask the member for guidance if he wants a report before the year is over or whether he wants some description from other years. The fact is that this would probably rise and fall according to the amount of water that is coming down the ditch. We did not have many draining problems when it was dry even though the ditches were still there or even maybe being made at that time.

Mr. Struthers: I realize the difficulties that the minister may have in providing these figures, but when I read the statement in the Estimates book I assumed that there must be some figures that ran back several years that might show a trend. Taking into consideration the amount of rain and the amount of runoff that we have in the year, I know that there are those kinds of factors that go along with it. I know the other thing is—I was trying to imagine how you would tabulate unlicensed drainage works. I mean, if you know that their unlicensed drainage works, then I would presume that the Department of Natural Resources would be doing something about unlicensed drainage works.

So I would like to see if there is any kind of a history with some numbers, not just with the drainage works part, but also whether he is happy over the last several years on the number of drainage disputes that I am hoping will have reduced in actual numbers over the last several years. I would hope that that kind of information is available.

*(1640)

(Mr. Chairperson in the Chair)

Mr. Cummings: We will provide the best information we can for that question.

Mr. Struthers: I thank the minister for that. Under this line, as well, I would like to discuss a little bit about aquifers, in particular the Assiniboine Delta aquifer.

Again, this is a situation where, as the critic for Natural Resources, I do get the odd call on as far back as when McCain announced the expansion of their plant and how this was going to be good for the farm community in that area because they would then be able to grow more potatoes, and to do that they needed to draw from the aquifer water to irrigate the land to produce the volume of potatoes necessary. That sort of indicates the time and the circumstances surrounding the concerns that I received about the draw down on that particular aquifer.

The other thing that disturbed me somewhat was the study that was done and completed, I believe, in 1995

that raised some questions about the amount of water we are drawing out of the aquifer as compared to the amount of water that is being replenished back into the aquifer. We are just talking strictly volume of water here. Has the department done any studies of its own or any monitoring that is ongoing that the minister can tell me about indicating that indeed that aquifer is safe in pure volume into the foreseeable future?

Mr. Cummings: Mr. Chairman, I think there is no question that we have adequate supplies. The allocations are not exceeding the predicted available supplies. There is a question, part of that question is whether or not we are monitoring. An outside consultant referred to this as the most monitored and the one aquifer about which there was the most information available in North America I believe and that goes back to some painful memories of mine when the PFRA was looking to run a pipeline to the east towards Gladstone and Plumus.

When that discussion occurred and there was a lot of monitoring occurring and the monitoring continues on an ongoing basis. We know the levels of the aquifer and the predicted recharge. I do not have those figures in front of me, but I am confident that they are capable of demonstrating that this aquifer is not being impeded.

The Assiniboine Delta Aquifer is being studied again or information is being sought again by the Assiniboine Advisory Board. They have completed quite a bit of work on the upper Assiniboine and they have now begun a public process to get some input regarding the aquifer and that process is ongoing right now. They have had one preliminary meeting. They are seeking public input to provide advice on long-term management based on the fact the aquifer has a significant impact on the Assiniboine River. I forget the numbers but there is a known high discharge to the Assiniboine from the aquifer. That gives them certainly adequate reason to be in there, but beyond that the water use in the Assiniboine River basin in its totality and the best advantageous way to develop the Assiniboine Valley is all part of their mandate as it relates to water.

So I am looking forward to that work progressing, although I must admit a couple of years ago I would not have predicted that they would be seeking additional

input regarding the aquifer, but the fact is it makes some sense now that they have gone through the various linkages that occur in that area. It goes back, of course, to the Pembina Valley wanting water for domestic and industrial use, so this is a gathering of information and frankly it is a two-way street. It is also educational for the board, but it is also educational for those who participate in the process, so there is greater public knowledge about what may or may not be available in the aquifer, what may or may not be available in the whole Assiniboine River Valley so we can all do better planning. It is not unlike land-use planning only probably more difficult.

Mr. Struthers: The water keeps moving and the land does not. I guess that maybe sums up the differences and the difficulties.

An Honourable Member: What? I did not hear you. You just kind of put your head down.

Mr. Struthers: If the member for Turtle Mountain (Mr. Tweed) would listen a little better, I was just explaining to the member for Turtle Mountain the difference between land-use policies and water-use policies. That one is fluid and one is not.

The minister may have mentioned this and I might have missed it as he was giving his answer. He talked about a consultant that looked at the aquifer and said that it was no problem with the amount of water that is in the aquifer and being discharged. What was the name of the consultant that he was referencing?

Mr. Cummings: I do not have the name at my fingertips but this was to confirm the work that had been done by Frank Render and others within the Water Resources branch of the day, and I am pretty sure that it was an out-of-province hydrologist who did that review and made some quite complimentary remarks. To some extent that is out of date. I mean, we have seen quite an expansion of irrigation in that area but the fact is, the reason I quoted it was that there was a third party that expressed some confidence in the knowledge base, and that will not have changed about the aquifer.

They can tell you how fast the water is moving through the aquifer. They can tell you what the aquifer capacity is also, measuring the outfalls, that that being

a delta as opposed to a basin, there are outfalls under pressure not just into the Assiniboine but into other areas, up to Neepawa, for that matter, and through quantification of all that and other monitoring capabilities that they have—and I do not know and I cannot tell you at the moment how many wells are involved, but I know I see lots of them as I travel through that area. Combined with what is a working knowledge of how much is being withdrawn for commercial and other uses, they come up with a pretty accurate acre feet of recharge and use.

Mr. Struthers: The concern is that there was a draw down on the aquifer before an expansion at Carberry took place. Studies had been done before that occurred and at that time there was no, did not seem to be, at least, any worry that we would lessen the lifetime of this aquifer, that there was enough water there for the uses that were on it, say, three years ago. My understanding is that the town of Carberry draws upon it and Shilo, the army base at Shilo and I believe even Neepawa through Lake Irwin. I understand Lake Irwin is fed by the aquifer and Neepawa draws its water from there, plus every R.M. throughout the area and other smaller operations that source that water.

What has happened in the meantime is that we have had an expansion of the McCain operation and a lot more pressure because of that is put on drawing down the water from the aquifer. The concern is that more water is coming out of the aquifer than what is being replenished into the aquifer.

* (1650)

I understand that Frank Render's report is somewhat dated and the minister has flagged that already, but what I wanted to know is, given the monitoring that the Department of Natural Resources is doing, can the minister indicate—I am trying to do this without having the minister having to answer in terms of this many cfs's and that many cfs's.

I do not need it that detailed, but I think we need to have some kind of assurance that this concern that people have is not a valid one, that the lifetime of the aquifer is there for the foreseeable future and that the people who are using this aquifer right now for their own operations will not be left in a position where they

do not have the aquifer to draw upon at some point in the future.

Mr. Cummings: Mr. Chairman, No. 1, the long-term sustainable yield of the aquifer is not going to be exceeded. Now, the member references a number of errors that would cause pressure to be brought to bear for irrigation purposes, but not all of the irrigation is going to be on the aquifer. That is an important thing to remember. The McCain expansion and even the Carnation expansion—Carnation would more likely be looking for land closer to home, but the McCain expansion is not targeted at the aquifer so much as it is at a number of areas. In fact, from an agronomic point of view, I believe that the potato growers will want to spread their production out a bit, as well, and not risk disease involvement.

They had a taste of that last year, and it was very expensive. The year, however, lent itself to the spread of disease, I believe, but all that means that the aquifer is not the only area from which water will be drawn. The long-term sustainable yield is established, and the member said, well, the Render report—and I think I led him to believe the Render report and the evaluations that were done by the third party a few years ago—is dated. I can assure him that the information that the Render report provided, or the work that Frank Render did at that time, is updated annually. So we have that current information; that base is constantly updated.

We can always argue that you never have enough information about an aquifer, but I am still confident that that aquifer is, as well, monitored and carefully gauged as any. As we learn more about it, the established level of sustainable yield can be adjusted, as well. I mean, there is also the issue of sections of the aquifer. Some of them may not be entirely able to flow one to the other, for example. Reduced amounts might be in other quadrants. I am not sure where that is at today, but I know that there is an attempt made on evaluation of the sustainable yield of the aquifer also considering the impacts on some of the quadrants.

It is a valid question, and the main assurance that the department can provide and our government will provide is that we continually upgrade the information on recharge and usage and any other influencing factors and that we stay within the sustainable yield.

Mr. Struthers: The minister's couple of points are well taken. Certainly there is more drawdown on just the aquifer in that area. There are people who draw from the Assiniboine River from other rivers in the area. His point about the Frank Render report, I am glad to hear. I am encouraged that the report is updated constantly. It has been, I am assuming then, updated since the expansion in Carberry. I am going to make that assumption. If I am not right, then the minister I am sure will enlighten me on that.

The other part of the questions that I would like to ask about the aquifer does not deal with amount now but deals with the quality of the water that is in the aquifer and contaminants that could be flushed into the system. I realize that this may be a question that might be more logically posed to the Department of Environment. I think there is probably a role here for the Department of Natural Resources, probably in co-operation with the Department of Environment, to monitor the contaminants, the quality of the water that is both going into the aquifer, sitting in the aquifer and then being used by people from the aquifer. Maybe the minister could comment on that.

Mr. Cummings: Well, No. 1, the issue around the Carberry expansion, remember that there is a stated amount of water, a known amount of water available from which a sustainable yield figure is extrapolated, and then the licences must occur within that cap. So, with or without the Carberry expansion, the sustainable yield is intended not to be exceeded. That total number of acre-feet that can be withdrawn is established, and then licences can be allowed within that.

In terms of water quality, yes, Carberry and other areas, there are water quality concerns that are being raised; interestingly enough, not so much from irrigation as might be from intensive livestock. The town of Carberry itself has had some lagoon problems. The town has had some problems given the history of the town. Shallow wells and fields in a porous sand are not a good combination. You can increase the nitrate content in your wells. Heavy application of manure on feedlot situations and/or intensive livestock operations has to be monitored. That is done, as well, in conjunction with Agriculture.

This government has not chosen to regulate the amount of fertilizer that is applied from large livestock operations so much as guidelines have been set, but it goes without saying in the industry—the livestock industry and agriculture know that in the long run they have to be able to quantify and demonstrate their management capabilities. That they are not, in fact, depleting the quality of the aquifer. That does become an area that is primarily managed by Environment, but, again, it is an Environment-Natural Resources co-operative approach.

Mr. Chairperson: The hour being 5 p.m. and time for private members' hour, committee rise. Call in the Speaker.

* (1700)

IN SESSION

PRIVATE MEMBERS' BUSINESS

Madam Speaker: The hour being 5 p.m. and time for Private Members' Business.

PROPOSED RESOLUTIONS

Res. 4—Winnport

Mr. Gerry McAlpine (Sturgeon Creek): Madam Speaker, I move, seconded by the honourable member for St. Norbert (Mr. Laurendeau),

“WHEREAS Winnipeg has developed a continent-wide reputation as a merchandise distribution centre; and

“WHEREAS Winnipeg lies at the centre of North America, connected to the major heart of the continent by a vast transportation infrastructure, including rail, highway and air links; and

“WHEREAS the global air cargo market has grown at a rate of 6 percent for the last five years; and

“WHEREAS countries such as Japan, Singapore, and Korea will pay a premium price for high quality fresh produce that is grown in Manitoba, increasing exports of value-added products made in Manitoba; and

“WHEREAS Winnport Logistics Ltd. has published a development plan to make the Winnipeg Airport the world leader in the air cargo business; and

“WHEREAS this project may result in 5,000 jobs and \$500 million in economic activity for Winnipeg and Manitoba.

“THEREFORE BE IT RESOLVED that this Assembly encourage all levels of government to be supportive of this proposal that could provide tremendous economic advantages to the city of Winnipeg and all Manitobans.”

Motion presented.

Mr. McAlpine: Madam Speaker, it gives me great pleasure to rise today to introduce the resolution on Winnport, which is an exciting economical venture that Winnipeg and the Province of Manitoba, as well as the federal government, are working in partnership to develop this very worthwhile and futuristic development for the benefit of all people in this country, especially Winnipeg and Manitoba.

The idea to develop Winnport came with the recognition in private and public sector studies that an opportunity existed to develop Winnipeg as an air cargo gateway and a multimodule distribution centre. The major factors of this opportunity were Winnipeg's advantages of location on the polar flight routes for international air cargo traffic, the close trucking proximity to the key Midwest markets, the excellent infrastructure such as the 24-hour operational airport, and an experienced and established network of transportation companies.

I think we take too lightly the benefits and advantages that we in Winnipeg have, especially centred around the airport with the number of trucking companies, as an example, with head offices. I think there is something like nine head offices in this country that are stationed here right in Winnipeg within that close proximity of the airport.

I think, Madam Speaker, that really bodes well for the business community and the transportation economy that Manitoba and the city of Winnipeg offer to this country and also to North America, especially when we

consider the trucking transportation that travels north and south, as well as east and west, and beyond. I think it is something to be really proud of.

Winnport is built on a diverse partnership of experienced operators with established distribution networks. I think we have a wealth of knowledge and a wealth of ambitious people who are going to provide the opportunity to make this work. I think that we are sitting in the strongest position in order to be able to achieve these goals.

Winnport has received strong support from the Government of Canada, as well as the Province of Manitoba, and the municipal governments of Winnipeg and Rosser, Manitoba, which is to the northwest of the city. Certainly, they are partners with the city, the province, and the federal representatives.

The government of Manitoba provided financial assistance to Winnport on a cost-shared basis which was used for market research, logistics analysis and strategic planning. The province is also represented on the board of Winnport Logistics. I think that that is really important in terms of the liaison that works between Winnport Logistics and the Department of Industry, Trade and Tourism, which plays an important role in all this development, to ensure that all partners and those who are working with this on this very worthwhile project, are well informed and kept apprised of what can be done and what has to be done.

This, along with the tremendous community support, demonstrates that Winnipeg is a gateway for the future, and that we are able to offer the co-operative and wide-ranging services needed for international air cargo transportation and distribution in the 21st Century.

I think that when we look at this in terms of the future, if we go back in history, we also recall what Winnipeg was initially built on with the warehousing back in the turn of the century, when this was going to be the distribution capital of the world. Then, for some reason or another, they developed the Suez Canal, which we ended up on the short end of. But I think that this is a real opportunity. I think that finally there may be that opportunity for Winnipeg to actually take advantage of the many benefits and the many things that we have to offer for this concept.

Winnport's international air cargo service will provide expedited air cargo lift between Asia and North America. By communicating closely with the freight-forwarding community, Winnport is tailoring the forward or direct service to meet the unique and specific needs of its freight forwarder customers. The benefits that an international air cargo service out of Winnipeg will provide include such things as the dedicated 747 main deck freighter lift on seven weekly frequencies, service between growing air freight markets in China, Singapore, Malaysia, Japan and North America—just to name a few—scheduled direct airport-to-airport service, guaranteed capacity at guaranteed competitive rates, expedited North American ground distribution, and leading-edge air cargo information system with real-time reservations, booking and tracking.

Madam Speaker, I think that there has been a considerable amount of expertise that has gone into this, and the people who are playing a major role in this are the companies that have a major stake in all aspects of this project.

Winnport's future plans extend far beyond the air freighter services. On lands adjacent to the Winnipeg International Airport, which includes the constituency of Sturgeon Creek, there are other areas along the west side of the airport between Sturgeon Road and Sharp Boulevard, as an example, where the airport entrance is in the former Air Command Headquarters. There is a parcel of land in there that is open and ready for development. Certainly, with the access to the tarmac on the west side of that, this vacant land, industrial land, certainly offers that opportunity for future expansion, with the accessibility to the airport, and to the warehousing, that will be developed there if this should proceed. I would think that it is not "if this going to proceed." I am very optimistic in saying that "when this does proceed" is probably more accurate.

* (1710)

Some of the advantages of having a cargo centre here in the centre of this foreign trade zone would include the abundant, competitively priced warehouse space that we have in this city; built-to-suit landsites, which I referenced in the Murray Park area of Sturgeon Creek; the immediate access to North America and

international air, road, and rail links; the economies of scale and reliable delivery of the time-sensitive products through centralized warehousing; the performance of secondary production activities; the customs-friendly foreign trade zone-like environment for duty-free treatment of goods; and the administrative time and cost-efficiencies of utilizing Winnport for guidance through Canada's duty and tax deferral programs. Finally, onsite access to experienced logistic support service providers is also a benefit of having a cargo centre and foreign trade zone.

Now, with regard to the economic opportunities as a result of the Winnport initiative, preliminary economic modelling suggests that approximately 500 jobs would be created in the short term of two to five years, Madam Speaker, and, in the long term, it really is staggering to expect that a total of 6,000 jobs will be created in the province of Manitoba with an additional 4,000 jobs in the rest of Canada just from this one initiative, this one project.

So we are talking about a significant impact on the economy not only of this province, but on the economy of the whole country. Winnport is also expected to generate approximately \$595 million in GDP and \$105 million civic, provincial and federal taxes. The greater economic benefits will be reaped over the longer term as further value-added activity supplements early service and land developments, and I think that when we talk about the transportation or the value added just in our hog producing that we have in terms of our markets in the Asian markets with the amount of hog and even our canola and durum wheat for the pastas and things like that, the value-added markets that are available to us, then to take advantage of the transportation through this Winnport initiative is something that will be almost unmeasurable in terms of the economic benefits as far as this province is concerned.

Our government and other levels of government recognize the great economic potential of the Winnport concept for the development not only of Winnipeg but of supplier and producers in other parts of the province. In terms of talking about rural Manitobans, the farmers, the farm community, the hog and the vegetable growers and the wheat farmers and things like that, Madam Speaker, I think that we really cannot underestimate the

potential of this project for all Manitoba and, as I said, for the entire country. I think that when we do this we certainly have to manage a lot of the things that we are doing, and we can learn from the aspects of what we have now.

I know that with the airport being in the community of Sturgeon Creek, the runway 1836, as an example, is the one that comes right in over the constituency office of Sturgeon Creek on Mount Royal and Ness. You look up and when the airplanes are coming in, you can almost count the rivets on the bottom of the aircraft.

One of the things that we have to be aware of is the fact that we have to manage these things very well because, for the residents that are in those communities—I think that, you know, the member for Inkster referenced the present M.P. for the area, and, you know, I just want the member for Inkster to know that this member caused me no end of trouble with his recommendations in terms of the air traffic that was coming in and out of the city, which he made very political and left the people who are representing the constituency of Sturgeon Creek and Kirkfield Park and Assiniboia, left them out of the whole process because he wanted to make this a Liberal initiative on his part in terms of the air traffic and the committees that he was working on.

So I think that what I am saying here, Madam Speaker, is that this Winnport thing is too big an initiative to make political, and I hope the member for Inkster (Mr. Lamoureux) will talk to his cousin, the member for Winnipeg-St. James to impress upon him how important that is.

The government of Manitoba definitely does support this resolution, and I would urge all members here in the Legislature to provide an all-party endorsement of the implementation of Winnport, not only for the city of Winnipeg but for all Manitobans and this great country that we live in. Thank you.

Mr. Tim Sale (Crescentwood): Madam Speaker, I am also pleased to rise and address some of the issues that are contained in this resolution. I think that the first thing to put on the record is that we have met with the Winnport executives on several occasions, in 1992-93, and, by really a pure chance, we met with them this

morning for about an hour and a half, about 10 of our caucus members and staff, so that was a very useful meeting.

Our party has been on the record as being supportive of the Winnport initiative from the outset. We have spoken in support of it at a number of occasions and through a number of press releases. There are, without any doubt, significant gains to be made from the integrated development of air, rail and road transport, and in a world in which computers are typically assembled from parts made in perhaps five, 10, 15 different countries all producing components for assembly, this kind of integrated logistical network is clearly something that is part of the future, and Winnipeg would like very much to be part of that future. So I think that it is very clear that we are supportive of the Winnport project.

I think, though, that we also have to be realistic about what is happening around the world in regard to the attempts on the part of places like Winnipeg, and to a lesser extent Calgary and other cities that are not part of the current logistical system for air transport that are trying to break into that network. I think that it is fair to say, Madam Speaker, and to say through you to the proposer of this motion, that a few years ago Winnport was filled with optimism that, to perhaps use a bad pun, the sky would be blue and the flying would be smooth. I will just quote one of the people we met with this morning who said a few years ago we were standing on the diving board looking at the water and it was very smooth and clear and now we are in the water and it is kind of choppy.

The chopiness of that water has to do with a couple of things, but it has to do fundamentally with the very, very rapid developments in the whole field of air transport, air freight and the industrial patterns of world development, which are changing the logistical chains of supply on a very rapid basis. So what looked like a solid direction three or four years ago has been overtaken, not by any lack of skill or competence on the part of those putting forward the plans, but simply by the kind of rapidity of change that is out there in the world.

* (1720)

I think the member opposite, who along with our member for St. James (Ms. Mihychuk) has an immediate concern with the airport and the developments around the airport because of the nature of the two constituencies involved, has followed this issue very closely. Obviously, as Industry critic, I am really glad when any members follow an issue of this kind of complexity closely and advocate on behalf of Manitobans who would like to invest and to work and to be part of a major development.

So I am sure that the member opposite knows that the initial hope in this Winnport development was that major air freight providers would come on stream to work with Winnport to provide the air freight component of this proposed development. For example, Winnport did approach Air Canada and tried to come to an agreement about Air Canada providing the freighters and the pilots and the crews and the aircraft, and that agreement apparently, according to the meeting we had this morning, was very far advanced when it became plain that Air Canada wanted to control the logistical side, as well. Ultimately, at the end of the day, the two parties were unable to come to an agreement because I think it seemed to the Winnport people like Air Canada was simply trying to supplant the Winnport project and, in effect, co-opt it into Air Canada's air freight arrangements.

So, unfortunately, Air Canada did not come forward, and that is a pity because Air Canada has a base already in Winnipeg. It is a Canadian company. It is a major employer. It has a worldwide reputation of quality service and quality maintenance and could have provided a great deal of assurance to potential shippers that a quality operator was at the heart of the Winnport program as it got off the ground to begin with.

Winnport also approached another Canadian airline, which, due to its own internal difficulties, was not in a position to respond very positively. They then approached a number of other international shippers who operated aircraft, and, unfortunately, after a lot of work they came up empty in terms of any shipper who would be prepared to redirect or reroute their existing air freighters through our city as a gateway to the North American market. The consequence of that difficulty—and I do not call it a failure because I think the Winnport people worked very hard to make it come

true, and I certainly attach no blame to the fact that it did not.

But the implications of an inability to come to an agreement are very significant implications. They are, in the first place, that clearly Air Canada did not see sufficient advantage to this that they could be persuaded to come on stream with a major support for the Winnport proposal. So Air Canada, perhaps for its own internal competitive reasons, perhaps with a lack of foresight, for whatever reasons, they would not come on stream, but, Madam Speaker, neither would any other major carrier in the world that was approached. That points to the fundamental difficulty that Winnport faces in making a go of this proposal; that is, they are really asking existing patterns of logistics to shift, to take into account the value-added opportunities in Winnipeg.

We can see those advantages. They can see those advantages. The mathematics are sound, and I am convinced of that as they are, that the freight costs work, that Winnipeg works as a gateway both for backhauling and for the primary distribution of loads coming in. But it is very clear that other shippers are not convinced that they can make enough of a gain on the moving of their freight patterns to become based in Winnipeg and use Winnipeg as a hub.

So what that has done, Madam Speaker, is it has pushed Winnport into the situation where it is attempting to become a charter operator through a contract with Kelowna Flightcraft, which is the operator for Greyhound, and the proposal, which was in the paper a couple of weeks ago and on which we spoke this morning, was that they would charter two 747-200s from Kelowna Flightcraft and Kelowna would become the shipper on behalf of Winnport. This, in turn, poses some very severe challenges for Winnport because it means that Winnport has to, through the federal government, secure air access and landing rights in the four countries in which they want to be active—Malaysia, Singapore, Taiwan and Shanghai in China.

Now, those of the government side in particular, I guess, have had current experience with the whole question of open skies and the issue of international version of open skies, know just how torturous the

negotiations can be with countries who are seeking to protect their freight firms and their industrial interests when a new company that has never been part of the international air freight world seeks entry into that market. I think you can imagine the difficulties that they are likely to face.

The executives at Winnport were very frank with us about that this morning that the fact that Air Canada did not come on board has posed a very serious problem for them. They have begun negotiations through the federal government—of course, it has to be conducted through Foreign Affairs—and they are hopeful that the first contacts with China will begin in the next couple of weeks. I hope that is the case, and I hope they are in contact with the Chinese official who was here in the Chamber today.

Madam Speaker, I think that while all parties in this House have publicly and quite frequently endorsed the Winnport proposal, we should not be debating it today in some kind of Pollyanna hope that it is going to quickly come to pass in the way that it was first thought of a few years ago when it seemed that this development could take place quickly. So, Madam Speaker, while I am quite supportive of the resolution, I am concerned about the last WHEREAS that if there are ever 5,000 jobs out of this proposal, even the Winnport people themselves say that this is 20 years from now; that is, in the next two or three or four years, we might see 200 jobs if they are successful in getting landing rights in the four countries involved. Certainly we hope they are successful, but we should be aware that the opportunity here at this point is a much more modest one than we hoped we would have before us a couple of years ago when this was first being discussed.

This, of course, raises another issue and that is the scale of public investment that is appropriate in this enterprise at this time, and the scale of public investment which is anticipated is in the millions of dollars. It is in the tens of millions of dollars, in fact, and there are a variety of ways in which this would be put forward. It could be equity, it could be guarantees, it could be in-kind service provision, but it is very substantial no matter how we slice it.

I think all of us in this Chamber should be concerned about the sequencing of the development, because until

landing rights and air rights are secured in the four countries that they hope to use as their launching pad, I think it is fair to say that this initiative, important as it is, is on hold. So one of the questions that we would certainly be asking today is what is the government doing to bring appropriate pressure to bear on the federal government to make this issue a priority for the negotiations that are going on in the four countries, of which I have spoken, because this is a federal government responsibility.

At this point, Winnport hangs on a thread and the thread is the negotiating process with the four countries under the direction of the minister of external trade, Minister of External Affairs, rather. We all know there is a federal election coming. We all know that Air Canada is a player in this issue and that Air Canada is doing what big companies do when they think that the edges of their trade might be infringed upon by a new company that has a good idea. So I think that there are some responsibilities on all of us, but particularly on the government and on the acting leader of the Liberal Party in the House, the third party in the House, to bring to bear some significant pressure on the federal government to make this a priority.

* (1730)

Winnport made the case with us, Madam Speaker, that they do not think they are cutting anybody's market. They think they are creating new jobs, new opportunities, new ways of supplying goods and services into North America, that they are not threatening Air Canada at all, but Air Canada's response has not been particularly helpful or positive.

So I call on members opposite and on the member of the Liberal Party, who I believe is going to address this motion, to use all good efforts, as we will do, to move this initiative forward, but we should do so recognizing that there are very serious difficulties with this initiative at this time. We should not be holding out huge promises and huge hopes until the issue of landing rights is secured, and that could be anywhere from one to two years from now, Madam Speaker. I thank you for the opportunity to put these remarks on the record.

Mr. Kevin Lamoureux (Inkster): Madam Speaker, I, too, wanted to put a few words on the record with

respect to this particular resolution. You know, yesterday we had a resolution which was fairly positive. In fact, we voted on it and passed it, as all members of the Chamber had supported the essence of the resolution. Again today, the member for Sturgeon Creek (Mr. McAlpine) brings forward, in fact, another resolution which could receive the support of all members of the Chamber.

I would be quite surprised if, in fact, there were any members of the Legislative Assembly that did not, in principle, support the concept of Winnport because it has the potential, as the resolution points out, to add so much more to the economy of Winnipeg. The entire province stands to gain great dividends if, in fact, this gets off the ground. Where, I think, to a certain degree we might differ is that I believe if this is going to work, it is going to be the private sector and the individuals that have been involved to date that are going to make it work. It is going to be their thoughts, their ideas.

The creation of Winnport will be there in the future if, in fact, the community and the business people, in particular, are effective in putting together an excellent project. Hopefully, the political support of local M.P.s, whether it is John Harvard or local MLAs such as the member that has put forward this particular resolution and the support of city councillors and, most importantly, the support of the community as a whole is there, then it will work. Hopefully, we will see that support, but first and foremost, the kinks have to be worked out.

You know, listening very carefully to what the member for Crescentwood (Mr. Sale) was saying brings up a lot of legitimate concerns that do need to be dealt with. I can recall hearing some of the optimistic people a few years ago. They were talking of thousands of jobs, and on paper it looked like it was going to happen, and it was going to happen in a relatively short time span because there will be a competitive edge, if you like, if I can use that phraseology, with respect to the first that get involved in it.

This is where we, I believe, are at a bit of a competitive edge in the sense that we have a group of people who have clustered around from all the different areas of the community to put together an idea that if

we are successful getting it off the ground, all Manitobans will receive dividends from it in many different ways. One of the WHEREASes that really sparked an interest on my part, and like the member for Crescentwood (Mr. Sale) and members of his caucus and I am sure members of the government caucus, we had opportunity to meet with representatives from Winnport, and the part that interested me the most was the idea of being able to provide fresh produce abroad.

In fact, I brought the example, and I do not know if it was Nova Scotia or New Brunswick, where they fly virtually live lobster overseas in a 747. I think there are just wonderful opportunities that could be there for us, and it is important as elected officials of whatever political stripe that we give of our time and share our thoughts and ideas with those that might be interested in lobbying or lobbying for different forms of support in some areas with the feds. For example, it might be trying to get those rights to land with the province. It might be with some sort of infrastructure money which could again be tied into the feds. With the city it might be zonings of different sorts. There is no doubt going to be a very significant need to have all partners involved.

I met, Madam Speaker, just I guess it would be about a week ago, 10 days ago, with a group of residents that were concerned about the noise issue and any potential impact with noise. The member for Sturgeon Creek (Mr. McAlpine) nods his head in the affirmative. I am sure he has had the same sorts of concerns. One would like to think that all of these things have to be taken into account because, ultimately, the concept of Winnport is, in fact, a good one, and Manitobans would benefit tremendously for that, but that is the reason why, as I say, in essence the resolution in itself, I do not have any problem in terms of giving support to or the party giving support to.

Hopefully, by our indicating that sort of support and making ourselves available, the individuals, in particular Winnport Logistics Ltd. and others, will be able to at least have the moral support, and they might be coming back at some future time asking for more than just moral support, but at least to give that boost, if you like, while at the same time not necessarily creating any sort of false optimism that might be generated. I just say that on a cautionary note.

At the beginning I commented on yesterday's resolution, and we go on to today's resolution, Madam Speaker. It would be nice if, in fact, we could have a good selection of resolutions from all political parties debated and, in fact, voted on. A resolution does not have to receive unanimous support, I believe, in order to ultimately come to a vote. In the last seven and a half years the only resolutions I have ever seen actually come to a vote have been the ones where there has been unanimous support. I personally would have liked to see more debate and ultimate votes on all resolutions, not just the ones that receive unanimous support. Thank you, Madam Speaker.

* (1740)

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, I rise to speak in support of the resolution. I, first of all, want to take the opportunity to acknowledge the hard work and effort and the vision of the people who were the initial developers of Winnport, people like Hubert Kleysen, who I think has put a tremendous number of time in, of which he has done so at his own expense. I know that there have been people employed, like Gordon Johnson and Lynn Bishop, who is now in charge of the activities as it relates to Winnport, and I think those are the kinds of people that have been involved on a day-to-day basis and I thank them and acknowledge them for their extremely hard work and effort.

I can assure you, as well, Madam Speaker, that the Department of Highways and Transportation, the Department of Industry, Trade and Tourism, we as a government are strongly supportive of the Winnport initiative. It is a major piece of infrastructure and is a major tool that we need to take us on into the 21st Century to give us the kind of supports that industries need, that high value development industries need, that the movement of product out of the centre of Canada through a Winnport activity is extremely important to the future of our city and our province and the whole economic development activities that we would like to see take place in our province. I want to make it absolutely clear, perfectly clear, that we are strongly supportive and want to see this activity going.

What appears to be happening, Madam Speaker and I would hope that the member for Inkster would pay

attention to this, what appears to be lacking to some degree is that roll-up-your-sleeves and get-down-to-work approach by the members of Parliament from the Government of Canada and they speak strongly in support of it. They all do this strong talk as a great activity, but nobody, not one of them, has taken this project on, rolled up their sleeves and become the champion of it.

An Honourable Member: And who has in your government?

Mr. Downey: We have. The Minister of Highways and Transportation, Madam Speaker. The member said who has. We, as a government, have been very aggressive. We have had people very much involved and it takes that at the national level. [interjection] Yes, there have been series of meetings, but somebody has to roll their sleeves up to assist, as the member for Crescentwood has indicated, in getting the legal approvals that are needed to get access to the jurisdictions that we are going to want to fly to. That is what I think it is going to have to take.

There is not any question about this government's support for the initiative and wanting to get the activities going, and there have been ongoing discussions, meetings, but we need the support of the senior government of this country, very strong support and, as I say, it is time for them to roll up their sleeves and get aggressive and help the Hubert Kleysens and the Lynn Bishops and the Gordon Johnsons, who I think have been putting together a good package of material. They have got the basis for what it will take to make it happen, because I can tell you, Madam Speaker, whether it is in the value-added food processing industry, whether it is in the value-added manufacturing industry, there will be the need for the service to provide the linkages that we need to provide the transportation for the manufacturing sector.

Madam Speaker, I should give one example of what can, in fact, happen if a successful operation like this goes ahead. I recently had the opportunity to be in the United Arab Emirates and visited with a new development, and it is basically a similar concept to Winnport. They have developed an airport site which was traditionally or initially a military base that is now a full-fledged industrial development site. In 15

months, I believe they have over 200 manufacturing activities taking place in the park that is adjacent to the airport infrastructure.

They are providing a tremendous service, many hundreds of jobs are being created at that site and I see the same thing can happen right here. In fact, the general manager is an individual who knows Lynn Bishop. Manitoba Trade has taken it upon itself to make sure the right connections are made. The opportunity is there, but we do need, and I am sure that Winnport needs, the support of the senior level of government to help at an international level to help them make the connections and get the regulatory approvals that are needed.

I would think it would be a golden opportunity for the Minister responsible for External Affairs. This would be his absolute forte. This is what should be his No. 1 activity as it relates to bringing home the bacon for the city of Winnipeg. It really is. It is his opportunity to put himself forth as a champion.

An Honourable Member: And then you will vote Liberal.

Mr. Downey: The member said and then I would vote Liberal. No, I would vote for Winnport, you see. What we are supporting in this resolution is Winnport. I do not think it has to be partisan. I do not know of a political party that is opposed to this activity. This is absolutely a nonpartisan issue. This is a development issue that every political party in this province supports. I do not know of a candidate running in the next election that would be in opposition to this initiative.

That is why, I think, it is a good opportunity for the current government to demonstrate clearly that they are anxious to get this job done and show an aggressive move on this front. So I would encourage the member for Inkster (Mr. Lamoureux) to use his political muscle, to use his influence with the federal government to help get to the goal of getting Winnport becoming a reality. I can assure him the Department of Industry, Trade and Tourism and the Department of Highways and Transportation will continue to work aggressively to accomplish that goal, because it is the future for the economic and industrial development of this province.

We can use our imagination in many ways as to the kinds and types of product that can be moved from a facility like this. I just want to further endorse and thank those people who have worked so diligently to this point to get it to the stage that it is at. It does take a lot of hard work. I believe there is an aggressive role for the federal government to play and would invite them to do so.

Thank you, Madam Speaker.

Mr. Daryl Reid (Transcona): I just have a few comments that I would like to share with the members of the House with respect to Winnport. I read the resolution the honourable member opposite has brought forward with respect to Winnport and what it can mean to the city of Winnipeg and to the province of Manitoba, not only for the economy but for the jobs that will be attached with the Winnport project itself. I must admit—as well as my colleague the member for Crescentwood (Mr. Sale) has previously—that the jobs that are showing on this particular resolution are a bit suspect at this time.

I had the opportunity to sit in once again this morning with officials from the Winnport group. The numbers that they were talking about, 5,000 that is showing in this resolution, is a fair way down the road should this project be successful like we hope it would be. Madam Speaker, there are several issues that the members of Winnport raised with us this morning that seem to be creating some difficulties for the group in trying to move forward with the Winnport project. I can remember back to 1992, I believe it was, when this project started. We had the officials from Winnport come to meet with members of our caucus and to brief us on their proposal. At that time, as it does today, the project had in my estimation great merit, and I was quite and still am quite supportive of the project. I would like very much to see this project move forward.

At that time the Winnport group was paddling along, if we might use that analogy, in calm waters. They had not hit the rapids yet. As we see today by the faces of the presenters that came to us today, it appears that they are now in the rapids, that things have become a bit more intense in the negotiations and the debate that is taking place surrounding the Winnport project. They appear very hopeful that the project will move forward

but are quite concerned about some of the difficulties and the challenges that they are facing.

One of the things that they did point out to us that seems to be the major stumbling block at this point in time is the difficulties that they are having in securing the landing rights to countries like China, Malaysia and Singapore and Japan, I believe were the four areas that were talked about, that they have anticipated that they may meet some resistance from both Canadian Airlines International and Air Canada with respect to the cargo traffic.

We would hope that the federal government, through the Ministry of Transport, would look very dimly upon any lobby group that would be coming to lobby against Manitoba and Winnipeg achieving the Winnport project so that these particular operations might go forward, because we would not want to see other interests take precedent over what appears to be a very serious project in the best interests of Manitoba.

We want to see that the agriculture products that we produce in this province and the manufactured goods, both areas would be able to move freely into the markets of Asia, as we would hope they would do following announcements that the Minister of Agriculture has made here when chilled pork products have moved from Manitoba producers over, I believe, into the Japanese market. We very much want to see an expansion of those markets in the food areas. We also want to see our manufactured goods shipped.

* (1750)

We support the value-added industry that would be associated with this type of a project and that we think that there is some significant potential for an expansion of the job opportunities from the value-added sector should parts be brought into the province and assembled here as subcomponents and assembled into finished product and then forwarded on to their destination out of the Winnipeg Airport, either through the intermodal or multimodal facilities or through the airlines themselves to some other port or destination.

We are quite concerned that there seems to be a spark or a catalyst that is needed to get this project moving ahead and, if I might use an analogy here from my

previous days prior to coming to this House, it appears to me that the Winnport project is like a race car like you might find on the race tracks, sitting waiting for the lights to change from red to green. Someone has got their finger on the brake button here, the wheels are spinning in the back on the AA/Fuel dragsters, and this project is not moving forward until someone releases the brake.

I see the person that is sitting on the brake here, from the discussion that took place this morning, as being the federal government not moving forward with the negotiations to secure those landing rights for those jumbo jets, those 747 jumbo jets to move from Winnipeg into those Asian markets. Until that moves—[interjection]. Yes, yes, I would like to see the Minister of Industry and Trade (Mr. Downey) and perhaps the Premier (Mr. Filmon) pick up the phone and talk to Mr. Axworthy, because it is my understanding it is Mr. Axworthy's department.

They should be calling the Prime Minister and saying, this is critical to the future economic development of the province of Manitoba and we want to see this project move forward. We want to secure those landing rights this year and we want to make sure that those aircraft are flying, because it is my understanding that some of that traffic is now being diverted to Chicago and, if we allow this process to continue on any further, we are going to lose the Winnport project and that Chicago and perhaps even Alabama, from what I heard this morning, will be the benefactors of Manitoba's loss, and we do not want to see that happen.

We want to see those opportunities and those jobs come to Winnipeg and to the province of Manitoba. I know my colleague the member for St. James (Ms. Mihychuk) has been pushing very significantly to try and have this project move forward, and I will give her the opportunity, Madam Speaker, to speak to this very important and worthwhile resolution.

Ms. MaryAnn Mihychuk (St. James): Madam Speaker, I am going to just take a few minutes to put a few words on the record, as our party and as the member representing St. James, to state that we clearly support this resolution. We are prepared to vote on this resolution, we are prepared to work with all levels of

government and members to see that Winnport is successful as much as possible.

Being the representative of St. James, many of the people in my riding are impacted by the development of the airport. It has both positive and negative consequences. There are concerns about further development in terms of noise, increased noise traffic, some of the pollution concerns for the local creeks, as well as additional traffic. However, I must make it clear that the residents in St. James are supportive of this project, supportive of the expansion of the airport and willing to work with the private sector, the public sector and all levels of government to see this go ahead.

The benefits are clearly there for Manitobans. Hopefully we can push the federal government and push our senior federal representative, Mr. Axworthy, to go forward and take the lead in this issue, secure the negotiated permits that are required right now and allow Winnipeg a chance to expand in this sector of Winnport.

I would just like to say that it is the foresight that we need here, a visionary look at Winnport. I am pleased to see that that is happening. If Plan Winnipeg had been amended, as the minister who is now the Minister of Education (Mrs. McIntosh), representing I believe Assiniboia, had suggested back in the late '80s, wanting to amend Plan Winnipeg to provide for expansion of the housing development in St. James, this would have had a serious negative impact on the ability of Winnport to expand.

So I am pleased that our government stood strong, that the NDP was there to enforce Plan Winnipeg, to

work with the city, to ensure that it was there for the development. This economic development, Winnport, that we see now has the possibility of developing.

So I am glad we said no to the Minister of Education at that time and we say yes to the development of Winnport now and, as I said, we are pleased to support this resolution and are prepared to vote on it now.

Madam Speaker: Is the House ready for the question? The question before the House is Resolution No. 4, moved by the honourable member for Sturgeon Creek (Mr. McAlpine), seconded by the honourable member for St. Norbert (Mr. Laurendeau).

Voice Vote

Madam Speaker: All those in favour of the resolution, please say yea.

Some Honourable Members: Yea.

Madam Speaker: All those opposed, please say nay. The resolution is accordingly passed unanimously.

* * *

Hon. James McCrae (Government House Leader): Madam Speaker, shall we call it six o'clock?

Madam Speaker: Is there leave to call it six o'clock? [agreed].

The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 9, 1997

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