

LEGISLATIVE ASSEMBLY OF MANITOBA
Monday, 9 March, 1981

Time — 8:00 p.m.

**CONCURRENT COMMITTEES OF SUPPLY
SUPPLY — CIVIL SERVICE**

MR. CHAIRMAN, Morris McGregor (Virden): Civil Service 1.(a).

The Member for Kildonan.

MR. PETER FOX: Yes. Just before we went into Private Members' Hour I was asking in respect to the amount of change that was taking place within the Civil Service and, I believe, I was asking whether the rate of turnover was something that is normal or whether it was greater or lesser this past year?

The other question in respect to that was, from the charts that the Minister has given us, because there's been a transfer from various departments it's very hard to determine as to whether any particular department has had a greater increase or a lesser increase so I'd also like to ask the Minister to report on which departments have had greater losses and so on. And secondly, to ask whether the attrition rate has been fluctuating very much. I know that in some industries there are periods when you have many more people who reach retirement age than you have in other years, and whether we could get a brief explanation of that as well from the Minister.

MR. CHAIRMAN: The Honourable Minister.

HON. KEN MacMASTER (Thompson): Mr. Chairman, the annual attrition rate or the annual turnover rate has basically been somewhere between 8 and the mid-9 percent for a large number of years. There is nothing dramatic has happened in the last year or two or three or four or five or six; it's been generally that. In addition to that the members had asked a couple of questions before supper and I think it was the Member for Kildonan.

During 1979 three educational leaves were granted by the commission and all have returned following the leave — that was one of the questions.

During 1980 nine educational leaves were granted by the commission, two are still on leave and seven have returned, so that was another one of the questions.

I have some numbers, I think it's for the Member for Logan. The number of competitions and the numbers that were audited in the first six months and the numbers that were audited after six months. Municipal Affairs, there were 23 competitions and 15 were audited within the first six months and six after; Agriculture, there were 67 competitions in the department, 25 were audited within the first six months and six were audited after; in Co-op Development there were five competitions, two were audited within the first two months and two were audited after the six months; Fitness, Recreation, six competitions, four were audited within the first six months and two were audited following the six months.

Now those, Mr. Chairman, through you to the Member for Logan, are the only four that have

completed 12 months. In Labour and Manpower I can give you five of the other departments and give you an idea what has taken place there. There were 58 competitions in Labour and Manpower and in the first six months there were 31 audits; Community Services and Corrections 188 competitions and in the first six months there were 68 audits; Northern Affairs there were 30 competitions, in the first six months there were 14 audits; Education, 115 competitions, 39 in the first six months; and Health there were 71 competitions, and 17 in the first six months. I think that basically answers the members question.

MR. CHAIRMAN: The Member for Kildonan.

MR. MacMASTER: I haven't finished yet.

MR. FOX: Let him finish, give him time.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: Okay, the member asked and I don't know which one, it doesn't matter somebody asked how many people over age 65 presently on staff. There are 21 and the breakdown of the 21, there are seven that are presently training somebody or completing their project, that's seven; there's eight that we were unable, I gave the criteria before, unable to fill, just at the moment for sure, five are on a temporary basis, one is a special appointment and that's the Ombudsman.

Now the member asked about the departments. If the Member for Kildonan would look at Page 21. Now there are the December, 77; December, 78; December, 79; and December, 1980; the major changes, if he would look after, for example, Agriculture has a (1) after it; Attorney-General is a (2); Committee Services a (3); Consumer Incorporate has a (4); Cultural Affairs Historical Resources has a (5), Economic Development and Tourism has a (5) which ties in with it; (6) is Energy and Mines and then you get back to the (3s) with Health and Mental Health; then you get another (6) at Mines Natural Resources and you get a (6) again at Natural Resources; then you get a (7) with Urban Affairs. I'm wondering if the Member for Kildonan could look at Page 22 and if he took those numbers and related them directly to the previous page. I think that it's pretty self-explanatory. Now if he relates them back and forth and finds that there's still — I don't think there'd ever be more than maybe one that wasn't quite well-explained. I'd be very happy to try and deal into that but that's precisely why we put the numbers there, that's why we have the information on the far side to probably alleviate that. Maybe he hasn't had time to put that together yet, but I think it's pretty self-explanatory.

MR. FOX: Yes, Mr. Chairman, I thank the Minister for his answer. I want to indicate to him I read both Page 21 and 22, but nevertheless it just indicates transfers and the reasons why. What it doesn't tell is that there's been an increase from 79 to 80 of some 400, or a little better than that, and where those took place.

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MR. MacMASTER: Mr. Chairman, No. 1 for example, and I'm not leaping back and forth, says an increase in the Department of Agriculture occurred mainly due to the Hay Incentive Program in which 80 employees are currently on staff on a temporary basis.

2. Increase in the Department of the Attorney-General occurred mainly in Legal Services in the Law Courts. These increases are an attempt to fulfil the backlog in the current court services.

Jump down to No. 6, in 1980 functions of the Department of Mines and Natural Resources and Environment was transferred to the newly formed Department of Energy and Mines and the Department of Natural Resources.

On No. 3, for example, it says primary areas of growth in the combined employment was in the newly established child-related income support program, income security day care programs, plus an increase in shift employment. Increase in casual employment occurred in Brandon Health.

I'm not trying to evade any of your further questions, but it seems to me it answers it and at the same time, while I've got the mike, Mr. Chairman, here's a brochure that is given to employees explaining the pension plan options on retirement which was asked for by the members opposite. We have pre-retirement courses and seminars which we put on; this is another brochure that we said we'd provide. That's the two that were asked for as relates to that six-month pre-retirement.

MR. FOX: I thank the Minister again for trying to explain it to me. But I would like to point out to him that in respect to these numbers, they still don't tell me specifically, outside of the 80 that are mentioned in the Hay plan, where the increases took place and what really happened, because if you take Municipal Affairs and Urban Affairs, Municipal Affairs lost seven and Urban Affairs only has two, so five disappeared. Five must have gone someplace else. I'd have to start evaluating each one of these separately.

MR. SPEAKER: Order, order please.

MR. FOX: Thank you, Mr. Chairman. . . . including the transfers that took place and then I wouldn't know as to exactly. I thought possibly the Minister or his staff could just give us a brief rundown, 50 went into Attorney-General, 60 went into one other area whatever it is, without us having to go through all the arithmetic and then finding out that we don't know where the other five that are left, or whatever, disappeared or increased, because there has been an increase over '79 to '80 by about 410 totally. Now, that's my question. Maybe it's too detailed for the Minister to give it to me at the present time. I have no objection to the fact that he takes it as notice and let's us know.

Now other years what we have done, and if the Minister wishes we can go through the same procedure again, we have put in Orders for Return for every department, who came on staff and who went off staff over a period of time and how many vacancies were filled; because this too, it may be that some of these vacancies are just vacancies that are being filled, on the other hand they may be new jobs. But there is a total increase of 410 over the 12

months and I was just interested in knowing how it was distributed. Aside from the notations which are in the side of 1980 which indicate they went from one department to another, there were also some increases some place.

MR. MacMASTER: Mr. Chairman, if the Member for Kildonan at this moment can pick out the precise departments, just name them so they'll be in Hansard, I tell him I'll take that from Hansard and I will detail as precisely as I can in more detail than is in the book, or if the member wishes to write down at his leisure after he's studied this book and found that it just isn't giving him the answer on X, Y and Z department, that he wants that more detailed, if he would give that to me verbally or in writing I will get our people to rip her apart and put her together. If he'd like that I'm very willing to do that.

MR. FOX: You're interested in me getting out my computer and doing all your computing and then if I find a discrepancy you want me to tell you, is that the suggestion? No, I'm not trying to be facetious. I'm just trying to indicate to him, there are 410 new positions between last year and between '79 and '80. There have been notations that there have been transfers between departments and I really can't tell unless I start taking each one of these between '79 and '80 apart, to see whether it tallies and then I find out I'm short in so many departments that add up to 410 and I thought possibly the Minister had that information. I don't expect it tonight but if it's there, if it's available, I'd like to see it. If not, well as I say certainly I can sit down and spend three or four hours computing this and finding out that maybe someone made an error but I would still come up with the same answer which I'm discussing at the moment, Mr. Chairman, and that is the fact that there has been an addition of 410. I don't know where they are and how many there were because I'd have to check every transfer against '79 versus '80 and determine the differences between each of those transfers and the year previous.

MR. MacMASTER: Mr. Chairman, we've located approximately what we suspect to be 320. Okay, we've got more than that; we've got 80 in the Department of Agriculture; we've got 40 in the Department of the Attorney-General; we think there's very close to 200 in Community Services and Health with those variety of areas on Page 22 that we have outlined; we've got 40 additional on New Careers within my department; so that's 360 and 14 in Legislation is 374, seven in Municipal Affairs and seven in Co-op Development; we're getting very close to the 400. Now we still may be short a few there someplace. I think what I'll try and do for the member is break it down and document it and give him a piece of paper at a later date.

MR. CHAIRMAN: 1(a) the Member from Kildonan.

MR. FOX: I appreciate the Minister's efforts and I'm sure that it'll help clarify what happened to who and to where. Thank you very much.

MR. CHAIRMAN: The Member for Logan.

MR. JENKINS: Thank you, Mr. Chairman, I want to thank the Minister for getting me two pamphlets that

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the Member for St. Johns had requested this afternoon. I also want to thank the Minister for the promptness in which his commission staff has been able to get up with the figures that I asked this morning which was the delegation of recruitment and selection to the departments and I note with interest that in the main, in the first six months when you apply it to the remainder of the time, that approximately, well not all the cases but nearly most of the cases, half of them were analyzed by the Civil Service Commission and of course it's suspected that there will be less as the six months probationary period has expired. With regard to the question that the Member for Kildonan raised which was the attrition rate; does the attrition rate also include resignation from the Civil Service and what percentage, is the majority of the people that we are losing by attrition by retirement, or you know, ill health or resignations? I would imagine the majority would be by retirement but just for confirmation, can the Minister confirm?

MR. MacMASTER: Mr. Chairman, the numbers are made up, the percentages are made up from resignations, deaths and retirements and we just haven't got that broken down. But if the member wants that we'll get that at a future date. But, by and large, that's what makes up your . . .

MR. JENKINS: Well, I suppose it would be of some interest. I quite realize at this short notice that the Minister is not able to get that. I would just surmise myself that the majority of them would be retirement. It would be hoped that it's not deaths and resignations that would form the majority.

I now would like to move on, Mr. Chairman, to another page in the report dealing with the equal employment opportunity on Page 12, about the fourth paragraph on Page 12, Mr. Chairman, as of the end of the year approximately 200 clients had been referred to the Equal Opportunity Office; 66 percent of the clients were female and 34 percent male; and of the total 41 percent were handicapped; 12 percent Native; 10 percent were over the age of 45. Through the process of counselling these clients it has been found that approximately 24 percent are not currently employable, as it goes on. What would be the percentage of those 200? Is the figure that we read at the bottom about 34 percent of those 200 were employed, is that correct? In other words, about 68 people?

MR. MacMASTER: I've got so many percentages running around in my head here, could you repeat the precise one you wanted?

MR. JENKINS: I'm beginning to think I'm getting the picture now. Maybe the Minister can correct me if I am wrong. Of the 200 that applied, approximately 24 percent were not currently employable, that takes away 48.

MR. MacMASTER: That's 50.

MR. JENKINS: It brings us down to 152. Of the 152, 34 percent were employed and I haven't quite worked that out.

MR. MacMASTER: That's 51 or 52 people.

MR. JENKINS: No, 34 times 2 is 68. It should be around 68 to 70, wouldn't it be?

MR. MacMASTER: No, it's 34 percent of 152.

MR. JENKINS: Yes, 52.

MR. MacMASTER: Yes, 51 or 52.

MR. JENKINS: Yes, 51 or 52.

MR. MacMASTER: Yes.

MR. JENKINS: Yes. Are these people that were not currently employable, was it through lack of education, lack of skills, that they were not employable at the present time or was it through the fact that writing Civil Service examinations, they placed that far down on the list that there weren't sufficient positions available for the hiring of 48, or were not even considered?

MR. MacMASTER: 24 percent.

MR. JENKINS: Which would be about 48?

MR. MacMASTER: Yet you can't tell at all but I think we used the words here that says, "are not currently employable within the Manitoba Civil Service because of the nature of the jobs they were seeking, the lack of required skills or their own personal problems and attitudes", and I would ask the members to take that for what that is worth.

MR. JENKINS: What process do we use for recruiting these people? Are they referred from agencies . . . or are they referred by agencies that are looking for people to make this program feasible and workable?

MR. MacMASTER: By and large, Mr. Chairman, they are referred to us from — if the Member for Logan would look at the second paragraph on Page 12 — the agencies that we've been dealing with the Canadian National Institute for the Blind, the Canadian Paraplegic Association, Equality Employment Society, Crippled Children and Adults, Winnipeg Native Pathfinders, Women's Employment Counseling, Mennonite Central Church and others, but we have built up a fantastic rapport with all the agencies within the city and the province and it's working extremely well and those agencies are bringing people to us. Now that doesn't say that there aren't some that just contact a Minister, contact a department, contact a Member of the Opposition and say, "I understand you have a program; can I get in to talk to somebody"? We have some like that but, by and large, the majority are referred from these agencies.

MR. JENKINS: I thank the Minister for that information and I think that's a worthy program. I wish the Minister well. I wish the people well that are applying for that program. Does the department or the commission or the hiring agency, whichever it might be, the case where the delegation of recruitment and selection has been delegated to the various departments, for those who are unable to qualify, through the various lack of skills or personal problems and attitudes, do they recommend to the

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recommending agency that these people seek professional help if they have personal problems? If it's lack of education and job skills, are they referred back to the agency and in turn told where they can maybe upgrade themselves, get themselves straightened around so that they will become employable within the foreseeable future?

MR. MacMASTER: Mr. Chairman, in our opinion, those that got jobs were capable of doing those jobs. That's the statement that we have to keep in mind that sometimes a job can be varied slightly, but the philosophy that the organizations we are dealing with happens to be so perfectly suited to myself that philosophically they want people to have meaningful jobs, jobs that they are in fact, doing something meaningful. We haven't run into an agency that said just hire people for the sake of hiring them and put them in a corner. They have said surely to goodness there's some way that you can get a meaningful job and that's the kind of jobs that we've been getting these people. So the 52 have those type of jobs. The others are receiving some counselling from ourselves and some we refer to other agencies for additional counselling, but the ones that have jobs are doing meaningful jobs. It's just not a tokenism sort of a thing, they're contributing very very adequately.

MR. JENKINS: I would hope that was, and I don't want the Minister to get the wrong impression, I was not suggesting that we were just hiring these people in order to make the program look good. I think that advert that you hear on radio, which I think is a very good one, where this gentleman is speaking and he said, "When you hear me on the airwaves, you would think I was blue-eyed or brown-eyed or something, but you wouldn't if you saw me. I am perhaps a quadruplegic, a paraplegic, in a wheelchair, would you still look at me in the same light as what you hear me"? I agree. I think that's the way we have to hire these people who have these handicaps. I'm not suggesting for a moment that the 24 percent that are not currently employable. What I was hoping was that the commission or the department, the Minister's office, would not close the door on them. There is an opportunity for these people to upgrade themselves with education, job skills; unfortunately when people were handicapped many years ago families in many respects kept them out of the public sight; they were out of sight, they were out of mind. I'm glad to say that is not the situation today. I'm pleased to see that we have been able to recruit people with various handicaps, to give them an opportunity to do meaningful work. I think that is a great boost to their ego, because if we were just supplying them with a job for the sake of supplying them with jobs, then the program, as we're dealing with it, certainly shouldn't be continued. I'm glad to hear that the commission and the departments involved are certainly doing and hiring people because these people can supply a particular job skill that is required. The fact that they have a handicap is really no handicap to them doing that type of work. I think it's a commendable program and I hope that it will be one that we will carry on for many years to come.

MR. CHAIRMAN: The Member for Transcona.

MR. WILSON PARASIUK: I'd like to ask the Minister if they've been able to identify any physical

constraints to equal employment opportunity, especially with respect to space. Is there office space that is either owned by the government or rented by the government, which does not provide easy access to, say, physically handicapped people?

MR. MacMASTER: We suspect that there is certainly some problem some places. The government has been in business for a long long time in the Province of Manitoba and I would suspect that every bit of rental space that we have within the province isn't completely adequate for some of the needs of some of the people that may, and I say may, be employed there. It hasn't been a barrier yet to any of the jobs and job placements that we've managed to make. We have done some counselling in some areas. I'm not going to go into details, I don't think the member expects me to, but we have done some counselling with some of the managers within government, as to the needs of the people that will be working within their immediate work area.

MR. PARASIUK: Is the Department of Government Services doing a review of what I call the major office space configurations of the government just to determine if there still are any constraints or bottlenecks. I can think of some major space that exists here in the Legislative Building, the Norquay Building, the Woodsworth Building. I assume that those wouldn't have any constraints. Eaton Place is one where the government has made a major rental there. You have Fort Osborne Barracks. Is that space sufficient or does there have to be more done? Is this a function of Government Services to monitor or is it something the Civil Service Commission should be overseeing?

MR. MacMASTER: Government Services are in fact reconstructing certain areas, putting in ramps in some areas and it's an ongoing function of Government Services sometimes with our direct input into suggestions that need done in certain areas.

MR. PARASIUK: Is it the Civil Service Commission or the Department of Labour, or a Cabinet Committee or what, that monitors the General Affirmative Action Program, or has that program been changed? There really is a difference between Equal Employment Opportunity and affirmative action, there is a substantive difference between those two terms and between those two concepts and I'd like to ask the Minister whether by putting in here this heading — Equal Employment Opportunity — that means that they do not have and do not believe in what I would call an Affirmative Action Program.

MR. MacMASTER: The member's interpretation of Affirmative Action and mine of Equal Employment Opportunity are probably quite similar. The word Affirmative Action Program hasn't been itemized and if the member is saying that by putting that heading in, Equal Employment Opportunity, that heading has been in one way or the other ever since I became Minister of Labour and Manpower and the Minister responsible for the Civil Service Commission.

MR. PARASIUK: Yes again, I think perhaps we are agreeing. If by Equal Employment Opportunity the

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Minister is saying that government has to do something extra to ensure that because of a whole set of attitudes that probably aren't intentional but have developed in part through custom, possibly without even thinking about a number of these things, the International Labour Organization has called this institutionalized discrimination, that is you aren't doing it directly, it's just there. It's just a whole set of attitudinal changes so that what traditionally has been called Equal Opportunity isn't sufficient, that you need something a bit more than that if you use the analogy with education.

What you should do then is sort of provide free tuition for students which was done some years ago and people would then go on to school on the basis of their ability and it would have nothing to do with whether in fact they needed some extra incentive in the sense of some extra effort done, to take account of the fact that they might have grown up in a culture of poverty and that perhaps you needed some extra things. Is that the Minister's perception of Equal Opportunity as he sees it, that the government should do some extra things to ensure that these people do have a better chance?

MR. MacMASTER: Mr. Chairman, it's virtually exactly what we're doing and in addition to that we are having sessions with departments throughout government on an ongoing basis; talking about attitudes; talking about accommodation, if you wish, by managers, supervisors, directors, ADMs and the rest of them as it relates to people who are somewhat less fortunate for whatever reason, than some others.

MR. PARASIUK: I just had one final point in this connection. The government through the Civil Service Commission would be doing that with respect to civil servants. I'm asking this of the Minister, as someone who is a member of Cabinet, someone who has raised some interest in this particular topic. Which branch of the government would be raising this whole concept with Crown corporations and with private sector at large and with other public institutions, like hospitals, municipalities, municipal corporations, school boards, etc.?

MR. MacMASTER: By and large we have had some meetings, Mr. Chairman, and discussions, preliminary ones with some of the Crown corporations. I'm a great believer in the fact that you have to have your own ship in shape before you go out and start thumping somebody else.

We think that if any member wishes to talk to any of the organizations listed on Page 12, for example, I think the members would be delighted at the attitudes of those organizations towards our Equal Opportunity people. The individuals we have working for us, the attitudes, I think we have not only say, turned the corner, but we're certainly making progress; we're making tremendous progress. Because everybody hasn't been employed at this moment doesn't mean that counselling isn't taking place.

A lot of the people that were deemed to be unemployable now or just didn't fit right now for whatever reason, a tremendous amount of counselling is taking place — some we do ourselves

— but a lot of it they're referred back to the agency on a goodwill basis. It's not take this person back, they just don't fit; that attitude isn't there at all. We work it out and talk it out with them and say that this individual was close but at least she or he needs more of this or more of that or we must upgrade in this area, upgrade in another area. There has been built by the civil servants, not by me, I've just projected it as a Minister because I believe in it, but the people we've had employed have just done an absolutely excellent job accordingly to the agencies who I talk to, because I trust the civil servants when they tell me that but I also have some rapport with some of the other agencies mentioned on that particular page and they tell me that they are very very pleased with the attitude, the progress. I suppose none of us are pleased with the numbers but it's the kind of thing that you must continue to work at.

MR. PARASIUK: That's why I raised the prior question about who would be the spur with the Crown corporations and that's the Civil Service Commission then who's going to be that, possibly yourself as the Minister because the Civil Service Commission, as such, doesn't have any direct role in responsibility with respect to the Crown corporations. At the same time I think you can show leadership in this respect, especially since a number of the Crown corporations, it strikes me, have sets of categories of jobs which possibly could lend themselves to the people of Manitoba achieving greater numbers in this respect. You know, if you can look at Hydro, The Manitoba Telephone System, The Manitoba Liquor Control Commission, you have a number of areas where I think it's possible for us to push this type of program and come back next year or in a subsequent year, with much greater numbers, so I'll be looking at this in future years.

MR. CHAIRMAN: The Member for Kildonan.

MR. FOX: In this regard, I just wanted to ask my perennial question, whether we're moving in the right direction. I appreciate the Minister's intent and especially when he indicated that they were having conferences and discussions at the departmental level and various other areas. What I'd like to ask is — I know we have made an emphasis on Equal Employment Opportunity for handicapped and for others who are disadvantaged for one reason or another — but the Civil Service being what it is and mainly we have, over the years, accepted as a stereotype area for women's jobs; I'm just wondering whether the Minister in his discussion is also looking at whether we can't get to a more egalitarian society and have more men in the particular areas that have been stereotyped because I'm sure that not every male just wants to go out and do what was at one time a stereotype male job. Since women are coming into the men's field, are we doing anything in a positive way to reverse the procedure in the Civil Service which is the one area where I think we can show an example of doing this?

MR. DEPUTY CHAIRMAN, Jim Galbraith (Dauphin): The Honourable Minister.

MR. MacMASTER: Mr. Chairman, we did a survey, sent out 7,000 questionnaires. We were surprised in

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some aspects of those that felt that they were being denied opportunity, both male and female. When we couple that with the extremely large number of course that were available we think we can do a better job in the future of giving people the opportunity for training in a whole variety of jobs. In addition to that, on the other side, I mentioned when we were talking about the Advisory Council on the Status of Women, we've asked them to also look at the courses that we're running to give another perspective on it as to whether they really think those are meaningful courses. So between the survey that we did which was, by the way, a confidential one we had a 52 or 53 percent return which was excellent; had some tremendous ideas put forward both by male and female. We coupled that with the kind of courses that were running and we can change them around to accommodate some of the thoughts that people put forward to us, plus the Advisory Council on the Status of Women from their viewpoints looking at the courses, I think that we're making reasonable progress in the past and we can only make better progress in the future.

MR. FOX: Mr. Chairman, I appreciate that the Minister is working in that direction. Can he indicate any specific thrust to making the departmental supervisors aware that possibly they should be looking at a potential in reverse areas in respect to stereotype jobs that used to be women's to see whether any of their male employees are interested, or others that would like to apply from without? Has the Minister done any direct counselling in that regard or is he just leaving it to the training programs and I would imagine those would include supervisory training programs as well as employee training programs?

MR. MacMASTER: Well, something that we found that we didn't think existed but I suppose we knew there would be some of it, in history a lot of courses have been available right back to the days when the two members were in government, I'm sure they were aware that courses were being made available. We've enlarged on that substantially and we thought we were doing very well but one of the things that we found out, and we're going to have to work at it and we are working at it, is a lot of people, I think the kindest word is, were discouraged from taking those courses; certainly weren't encouraged and in some areas we found that there was, not major roadblocks put in the way but there are always ways that you can suggest that a person is very valuable and they shouldn't take a Tuesday afternoon off or they shouldn't bother, they just weren't being encouraged to upgrade themselves. We're letting the departments know now pretty clearly, right from eye level at the Cabinet table, that these courses that are put on by the Civil Service Commission and others and the availability of training and upgrading are damn well to be allowed to people to take, period. You know, one arm isn't going to work like hell trying to put all this together to have, for whatever reason, some place down within the system, people who are really desirous of getting some of these courses and not being too encouraged to take them. So I think we've got that certainly cleared up at my level and the Civil Service Commission people, from the survey again, found a little bit of that. We're clearing away

the hurdles gradually; we're getting a better variety of courses available; more people are taking advantage of them and the response that we get from those that are taking advantage of them and that people personally tell me that they now feel they are better qualified and the next time one of those come up, we now feel we are ready for it. It's pretty good; it's coming along reasonably well.

MR. FOX: I appreciate the Minister's words. Let me ask him, how is this related to the Crown corporations and the other areas that do not fall directly under the Civil Service? Are these training programs available for those people or do they carry their own and how is the message being passed on there?

MR. MacMASTER: Mr. Chairman, one of the main thrusts that we're going to take in the forthcoming year, particularly in the rural and the northern areas, is to combine Manitoba Telephone, Manitoba Hydro, the Federal Government and ourselves in putting on some of these courses for groups in the northern part and the rural part of our province. The member can appreciate that there might be three people in, we'll just Winkler, Manitoba employees, if two of them wanted to take a course, you know, just what really do you do? It becomes so economically unviable that really you just don't put it on. I suppose that's what happens, so we're saying this year and we are starting preliminary discussions with Hydro, with Telephones and with the Federal Government saying, look, we have some what we consider are tremendous courses for people within government or government services. Why don't we all get together, the four of us and cost-share a major program in Flin Flon? If four or five from Hydro come and three or four from Telephones come and half-a-dozen from the Feds come and three or four out of the Provincial Government comes, now you've got a course of 20 people and it's really meaningful, really worthwhile and it makes it economically sensible to be able to send a person or two up there to run a good course for those people. So, yes, we are working with the other agencies now and that's going to be a pretty major thrust of ours in the forthcoming year.

MR. FOX: Certainly it can be appreciated that where there are small groups of employees it would be difficult to let too many of them go away at one time but, of course, there is also the possibility of using weekend courses and naturally there may have to be some kind of incentive to have them come on a Saturday and Sunday but that's two days that could sometimes be utilized to cover those areas where you can't allow too many employees off at one time. I think that the Minister has really made a very good proposal in respect to combining it with Manitoba Telephone, Hydro and the Federal Government employees as well. I think it's really necessary because, especially Manitoba Telephones, again we have that, what I call, a stereotyping in a particular area, to a great extent where we have a concentration of women in particular jobs and yet I know that some of those jobs are fairly well-paying jobs and possibly if there was some encouragement some men would be prepared to participate in them. So I wish the Minister success in his endeavours because as I say I, like he, look forward to an

egalitarian society. If we're going to have equality we should have it both ways, not just one way.

MR. JENKINS: Thank you, Mr. Chairman. We seem to have drifted over into the next department or the next section of the Minister's Report and I do have some questions. One, I think that the involvement of the federal, provincial, municipal governments and the MTS and Manitoba Hydro is a good one but I don't know if they have forgotten or what but we have another branch of government that in many cases has employees that perhaps could fill some of these places, and I'm talking about the school boards in the Province of Manitoba. Would the Minister consider getting in touch with the school divisions because they may have employees that would be willing to take some of the courses that are being made available through a tripartite sort of agreement right now between the federal, provincial and municipal government and of course the two Crown corporations. I would also extend it to any other Crown corporation that we have, MPIC or that. But I do feel that some boards are not operating on large budgets and they may not be able to get access to some of the excellent programs that have been set up. I just hope that the Minister and the department would include school boards as well.

MR. MacMASTER: Mr. Chairman, it was an oversight on my part. We have in fact put on some of our courses for the Manitoba Association of School Trustees who have asked us to put it on for some of their employees and their employees are teachers. They have had a look at some of the courses that we have; they've talked to our people; they've picked out the odd one they thought was very meaningful and they've had in-services at which our staff have been the instructors.

MR. JENKINS: I thank the Minister for that and I really didn't think that they would have excluded the people from the school division. I hope also that it would be made available to employees other than school teachers as well because you have administrative staff, you have other personnel employed by school divisions so I would imagine that the offering of this type of program is one that is all encompassing to all segments of the society as it is employed within the employing agency. So that makes a lot of sense and I think it's a good one. If we're going to be dealing with this department perhaps we should turn to Page 23 where I think some of the courses are listed. I would like to perhaps raise a few questions with regard to some of the programs that are being offered here.

In the Human Resource Development; in the main these are programs dealing with Labour Legislation, Life/Work Planning, Human Rights Legislation and I see that we have had 280, the biggest response we had, seems to be Management Under A Collective Agreement. Who conducts this course? Is it conducted by members of the Department of Labour, federal and provincial, universities or just where are these types of courses and where are the resource personnel recruited from?

MR. MacMASTER: It's our own staff within the Civil Service Commission in conjunction with some of the departmental people.

MR. JENKINS: Thank you, Mr. Chairman, they would be just the people from the Civil Service Commission; you would not recruit people from your own department, Department of Labour, people who have had experience in conciliation services, arbitration services. Could you give me a brief description of what this type of a course would entail?

MR. MacMASTER: If the member would look at the booklet that I gave him, it's course calendar and it's got a breakdown generally of what the courses are about. It might be simpler if . . .

MR. JENKINS: Yes, okay that's fine.

MR. MacMASTER: Okay.

MR. JENKINS: Mr. Chairman, that's fine I apologize, I just got it, I looked at it and I thought it was dealing with some of the requests that had been made by the Member for St. Johns this afternoon.

MR. FOX: We need a word processor to help us out.

MR. JENKINS: Perhaps as the Member for Kildonan says we need a word processor plugged into one ear while we're listening to the Minister with the other and perhaps we could digest some of it. But, of the people that are attending here, these are just people from the provincial Civil Service, these are not including people from other various branches of government, these are just own people?

MR. MacMASTER: These are numbers that relate to the Civil Service. These are numbers of people within government; that's what these numbers are; that's Civil Service Commission Report of services we provide.

MR. JENKINS: Employees coming under the Civil Service Commission, not employees employed by MTS, the Manitoba Hydro or that, it would just be members of our Civil Service; is that correct?

MR. MacMASTER: Yes. We put one on for the Liquor Commission under that particular heading, but then that's the Manitoba Government Employees Association but it's a separate unit. But those numbers there are within the MGEA and within Civil Service, within government.

MR. JENKINS: Thank you, Mr. Chairman. These would cover people covered by the collective agreement with the Manitoba Government Employees Association?

MR. MacMASTER: Yes, yes.

MR. JENKINS: Not members of the Crown corporations who would be covered under a different collective agreement, perhaps with a different bargaining agency? I thank the Minister for that information. I think the program is worthwhile.

Now the Summer Workshop Program. Does this operate in the same manner as the other programs that are developed? Is this a joint tripartite type of program that is being offered to employees of the federal, provincial, municipal and school board,

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hydro, other departments of government or is this strictly a provincial program for provincial employees?

MR. MacMASTER: Mr. Chairman, these are primarily in-service courses for government employees.

MR. JENKINS: Who would conduct these courses? Would some of the courses relate in some respect, because I can see that some of them here possibly could relate to some of the programs that are under the development and training courses. In other words, are we training people to do on-the-job training in our own department, from people who have attended various programs under which we have been discussing?

MR. MacMASTER: Mr. Chairman, the course headings are put on and relate to issues that are felt necessary for employees of the government and they are put on by very talented employees within government. We have a tremendous reservoir of talent and expertise in many numerable fields and that's the people we call on; and, yes, during courses you run into a right male or female who has latched onto it and has a heck of a lot of expertise and picks it up and wants to go further in it, and we do, in fact, tend to bring those who desire further training in that particular area, bring them along and they in turn, in time will become instructors of their own.

MR. JENKINS: I'd like to now deal with Page 15 and Page 25. This deals with Employee Health and Counselling Services. I think that this is a good program but the seeming increase of referrals seems to starting with 1976 where we had 83 total referrals going up to 1980 where we have 249. We seem to have an increase every year of total referrals and I wonder if this is comparable to the private sector where there seems to be more stress in the workplace and it manifests itself in various categories; especially when we look at alcoholism. While the percentage hasn't increased or decreased that significantly, the actual numbers, which are again of course because we have a larger total referral. What I'm trying to get across to the Minister, are we doing a better job of isolating and finding out these problems? Emotional and Mental Health is another one which in the past three years, while there seems to be a steadily increasing number, well it's in all of the categories, Stroke, Heart, etc., that has increased dramatically from 1979 to 1980, almost doubling itself. Then there are others, Family, Legal, etc., almost, well in fact four times as much as it was in 1978. I wonder if the Minister can enlighten us; is it because we are being able to diagnose these things much more successfully than we had in the past or is it because the emotional stress and strain of the modern day workplace, be it in a factory or be it in the Civil Service Commission; are there any comparable figures that we can apply this increase of the amount of people that are total referrals, as a benchmark against something in the private sector, that we are not alone in this field. I quite realize that the stress and strain of the modern workplace, in many cases, causes many of the problems that we see listed here today and if the Minister and the commission have done any research into this matter.

MR. MacMASTER: Well there are several points, Mr. Chairman, that have to be made. First of all, if you look down at (d) Supervisory Training Program, there's just dozens of seminars been put on in hundreds, in fact, thousands of supervisors have been trained over the course of years, at the first point. The second point that we have to consider, and I'm relating to the higher numbers, so now you have supervisors and people in management positions who understand that there is a program and in fact there is a way to help people, consequently they are utilizing it better and appreciating it and understanding it. Various things may have happened to them previously, now they are being referred because the supervisors and managers are being trained that in fact there is a program here and people can be helped; that's the first point.

Secondly, we've increased the staff over the last couple of years from one up to three. In addition to that we have done some tremendous training as (d) says with departments putting on seminars for supervisors; but in addition to that there are some departments now who have specific people who deal with that type of problem within their own departments. So the reason that number has gone up is, in my opinion, a sign of success of the program. If we had been standing still with one person, no seminars, no training, no pushing, and it happens to be one of my very pet programs, as the Member from Logan probably knows; I've been involved in the kind of program for many years now. So I guess it's because I, as the Minister, said it shall go and I convinced my Cabinet colleagues that we'd better get on with it and start saving people rather than tie the can to their rear end and chase them down the road, as has so often been the case in the past within society. So now the success rate is tremendous; the referrals are great. I'm constantly hearing of managers, directors, ADMs and DMs, Ministers that come to me and say, you know that damn things working. We had a guy or girl where there was just really now way, should have gone down the road, lo and behold, three months later that person's turned into a heck of an employee; thank you. So I want it on the record that I want to thank the people within the Civil Service Commission who concurred with my feelings on it and that worked so damned hard at putting it together. Also the departments; the Ministers are making sure their staff go to these seminars; the Ministers are making sure now, I guess it's like anything it's experience, trial and error and now they're seeing it work. I knew it would work but it's like so many other things; you have to sell it; you have to prove it; you have to establish it and it's well established now. There's really no question that this is a heck of a good program, it's working well, it's being appreciated by us, as Ministers, because our departmental people, the morals better, the directors, the ADMs are now saying, boy, it's very worthwhile. It's no longer something that is sort of looked at a little skeptically; no longer is that the case.

MR. CHAIRMAN, Morris McGregor: The Member for Logan.

MR. JENKINS: I thank the Minister, and what the Minister is basically saying is that we have had these

problems all the time but they have not been identified in the past and that we are now being able to identify them. Is there anything of a similar scale being done in the private sector? Is the Minister aware of anything, or the Commission itself? What I would say to the Minister is, that our ratio as in comparison to the amount of employees that we employ would not be out of line with a similar private sector firm that would be operating if they had such a program in place. In other words, there wouldn't be more stress and strain within the Civil Service to cause the problems that are manifesting themselves here any more in the Civil Service than they would be, say, in any other type of employment?

MR. MacMASTER: Mr. Chairman, it's virtually impossible to compare one program with the other. I have worked with CNR people; I've worked with the RCMP; I've worked with the mining companies; over the years I've worked with other companies that I'm not going to get into at the moment but they all have a different way of approaching the problem but, by and large, it's generally the same. I can only say to the member that a program such as in Employee Health and Counselling Services or an Alcohol and Drug Program that you have with companies, with governments, with agencies across our country, they are only as good as a commitment from the people at the top. It doesn't matter a damn whether the shift bosses or the foremen think it's a great thing or the ADMs think it's a good thing, if you don't have total absolute commitment right from, in our case, from the Premier to the Cabinet down, it ain't going to work and the same applies with companies.

I worked at Inco for many many years and we tried to establish this program and we couldn't get it; they have now got it within the last two or three years. The Steelworkers helped push it; the Alcohol Foundation helped push it; I, both on the union side and the staffwise helped pushed it. They finally got a group of people at the top who said it shall be and now it's working and I suppose we all look back with regrets at the value of a resource called "people" that we lost over the course of the years.

The CNR has a tremendous program going across this country; I like to talk to some of their top people who really promote it. It's a great program but somewhere, some place — and I'm guessing — I think it was 12 years ago I remember talking to people a long time ago; they got committed at the top, they were going to do something about it. They were just losing too many good people and somebody somewhere twigged to it and got some vice-president or something and down it came from the top, that it's going to work.

But they all work in different ways and I am pleased that they are working. I'm not going to run around telling Eaton's how to run their program but I've talked to an awful lot of companies and talked to people who have said, you know, we hear good things about this. A couple of the mining companies have good programs going, how in the hell do they work? So you talk to them and you tell them. So really to the Member for Logan, I'm not running away from your question. It's just virtually impossible to give you a comparison.

In my particular situation on several occasions I have said, give the person the third chance or the second chance or the fourth chance or whatever,

because it's dicey when you finally say that this guy or gal just doesn't really want any help. So I take a pretty personal interest in this and I have personally sat down with some of the people involved and we reviewed some cases — well, there's one now where it's about the fourth instant — but we really think there's a chance. So you can't set a guideline and you can't set a comparison, it's difficult to.

MR. JENKINS: I thank the Minister for that answer and I realize it is difficult to compare. Is the Minister aware of any other provinces that are utilizing this type of program, what other provinces are at the present time? I realize it's maybe an unfair question, I don't know, but it would seem that this is one of the Minister's pet projects. I feel free to ask the question because I think he would be interested in seeing how his program is stacking up in comparison with other jurisdictions.

MR. MacMASTER: We know, Mr. Chairman, of two jurisdictions that work very hard at it — we're not saying that others don't — but two that are pretty well known across Canada besides ourself, I might add, because we're known to be running a pretty good program and people are pretty impressed but the Government of British Columbia and the Government of Alberta, particularly the British Columbia Government, they have been at it for a long time for whatever reason. Somebody some place in the past said, there shall be, and they've been at it for a long time and I think they are probably in numbers, staff, farther into it than any other jurisdiction in Canada. Alberta and ourselves are maybe similar, not in numbers, because they have a heck of a lot more employees.

MR. JENKINS: I thank the Minister for that answer. Does the Minister envisage an enlargement of this program in the future or do you feel that it is adequate to deal with the amount of staff that we have at the present time?

MR. MacMASTER: Mr. Chairman, it's hard to say whether we're going to expand. With the seminars that we've put on and the now very very sincere interest of all departments and an awful lot of key people within — I don't think it is the department that hasn't got some pretty keen people on it. The service will be greater utilized, there is no question to it.

If the member would turn to Page 15, I was struggling here trying to find which page it was, the last paragraph. It says, "Since the prevention of illness is an important factor in reducing absenteeism and increasing productivity, an employee health improvement program is being developed. Community-based health agencies such as the Canadian Cancer Society, the Heart Association, the Lung Association and others will be invited to provide educational presentations to Provincial Government employees. A random survey of civil servants in all areas of the province has been conducted as a means of prioritizing preventative health needs. The first presentation should take place early in 1981".

This is an extension of it; it's not the practical daily counselling of a person who has a drug problem. It's not the daily practical thing that you can see where

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the family is breaking up because there's problems with the teenager or whatever. This is getting into another arm of it where we think these associations can in fact start talking to our employees telling us of some of the pitfalls, if you wish, down the road if in fact they don't start looking after themselves both mentally and physically. So that's an extension to it, if you wish.

MR. JENKINS: I thank the Minister. I wish him well in his program and I think that it's something that we all wish to see as it's just as much as people not having accidents, not to get involved — thank you — not to get involved in drugs, alcohol, other problems and the big factor and the feature is the early diagnosis of a problem that a particular employee might have.

I do commend the Minister because I think it is a worthwhile program and if I can just return back to Page 15 and if I go to (b) of the total referrals, of that 249 in 1980, 147 are still working, considering that they have had severe problems of one nature or another. So I think that the Minister can take heart, it's well over 50 percent are still working and that in itself is worth noting. I think that the people that are working in this particular Employee Health and Counselling Services and the supervisors and others are to be congratulated because I think we want to retain our employees. I think that is the . . .

MR. MacMASTER: Just a point to the Member for Logan. You must add the numbers, 147 — have you got that?

MR. JENKINS: Yes.

MR. MacMASTER: And 56 at the bottom.

MR. JENKINS: Oh, those 56 are still working.

MR. MacMASTER: Yes.

MR. JENKINS: Oh, I see.

MR. MacMASTER: They are current cases that we're working with.

MR. JENKINS: That's out of the 249, so then the figures are much better.

MR. MacMASTER: So you really have 203.

MR. JENKINS: Yes, the figures then are much better.

MR. MacMASTER: You bet they are.

MR. JENKINS: I apologize to the Minister for misunderstanding.

MR. MacMASTER: No, it's just that you didn't follow it down, sorry.

MR. JENKINS: I would say then that the program and the people — what I said before — should be commended and the supervisor of personnel that are working to make this program really work, deserve all the kudos that we, as legislators, can give them. I think it's a well worth program and it's well worth the time that we spent discussing it and I thank the

Minister for the information that has come forward at the Committee at this time.

MR. CHAIRMAN: 1.(a) — pass — the Member for Kildonan.

MR. FOX: Yes, Mr. Chairman. I would just like to ask the Minister in this regard, Employee Health and Counselling Service, whether there are any Workplace, Safety and Health Committees in the various departments set up and could he inform us how they are functioning? I know that they wouldn't apply to all departments but certainly they would apply to some where this would be pertinent. So could he tell us where and how many and how they are functioning?

MR. MacMASTER: Yes, we have several going, I don't have a list of them with me, but the MGEA just recently complimented us on some of the assistance we were giving them on particular seminars that they had requested. For example, stress, we put on a seminar just recently for one of the Workplace, Safety Committees in Northern Manitoba which was extremely well received. Now it's a Workplace, Safety Committee but it dealt with Employee Health and Counselling Services and they sort of interwove. So, yes, we work very closely with the union and the Workplace, Safety Committees who may in fact want this type of assistance or this type of support or this type of programming that we quite readily put on for them.

MR. FOX: I appreciate the Minister indicating that there is work and I know he may not have the figures or the departments before him, but I would appreciate if he could tell us which departments have Workplace, Safety and Health Committees. I would suspect that the Highways Department probably would be one of them; the Government Services would be another. Possibly in the health field where there are workers involved in particular institutions that may be another but I'm not aware, so I ask for the information of the Minister. Certainly it's commendable that the seminars in respect to Health and Counselling Services include safety seminars as well but specifically, I just wanted to know whether the safety committees in whatever departments, how they were functioning aside from the assistance they were getting in respect to special training courses.

MR. MacMASTER: At the moment, Mr. Chairman, we have the Highways Department, the Health Department, Government Services and we've tried something different in Northern Manitoba in the Thompson area, to see how it would work and it's working with a fair degree of success and that's an interdepartmental Committee of all departments within government in the Thompson region. They just requested a major seminar be put on which in fact we put on for them; so we're making some progress.

MR. JENKINS: Yes, I apologize to the Minister. I just want to go back to Page 15. There were one or two questions that I had on the Public Administration and it slipped my mind and it deals with the 10 provincial employees that graduated from the three-year certificate program in Public Administration at the university; the branch was involved in the revision

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of the course. This course is now being offered under the title, Public Sector Management. Is that course being offered as part of the courses that are being developed under Development and Training Courses or is it a course that is still being offered at the university? How are we utilizing these 10 provincial employees that have graduated from that program, that three-year certificate program?

MR. MacMASTER: It's a course, Mr. Chairman, that's being offered at the university and upon successful completion we pay the tuition for our people who go through it.

MR. JENKINS: How do we utilize these people now that they have come back to the service? Are we utilizing them in their field that they have received their certificate in? Are we also using them as personnel for training people, other than those in the Public Administration at a junior level in in-service training in any way, shape or form?

MR. MacMASTER: Mr. Chairman, we use them in a variety of ways but it's similar, only a much larger scale, where an individual takes a two-month course or a six-month course or a weekend course that better qualifies them to get ahead within the system. These people once they've completed that course are certainly extremely well qualified to then bid on jobs that become available.

MR. JENKINS: Yes, I thank the Minister. That answers my question as far as that particular . . . On Page 16 we are dealing with Personnel Records and Administration and the Personnel Trainee Program. According to the report here the Minister in the department had some problems. How long have we had the two people that have been graduated? How long have they been with the department now?

MR. MacMASTER: Approximately one year, Mr. Chairman.

MR. JENKINS: Thank you. We're going to utilize these people for Personnel Trainee Program within the government service, is that correct?

MR. MacMASTER: Yes, Mr. Chairman.

MR. JENKINS: Thank you, Mr. Chairman. Page 17 the Staff Relations Division, Mr. Chairman, dealing with negotiations and grievance and arbitration services. I just don't quite get what this service does. Is this within government services or is it for . . . ?

MR. MacMASTER: Within government.

MR. JENKINS: It's in government services. How would we utilize these people in our negotiations with the Manitoba Government Employees Association? How would we work with the arbitration services or is that just on grievances? That would not be on arbitration, if we came to arbitration, the arbitration service. Supposing I give the Minister an example; there was an inability between the Negotiating Committee of Cabinet which is, I imagine, operating under this with the personnel that are attached, and an inability to come to an agreement and arbitration was, say, brought in, then the Arbitration Services then would be supplied by the Department of Labour

or from the people that are available to the Minister for that type of service. Is that correct?

MR. MacMASTER: Yes. They would assist in preparing an arbitration case from the employer's side.

MR. JENKINS: On the employer's side.

MR. MacMASTER: Oh yes. The MGEA looks after theirs on the union side.

MR. JENKINS: I see. But that would only be for a grievance, not for a wage dispute.

MR. MacMASTER: Yes.

MR. JENKINS: I know it's a difficult situation because the Minister is the Minister of Labour and he's also the Minister responsible for the Civil Service Commission. If a dispute, and you can say it's hypothetical and refuse to answer it if you like, but what I throw out for the Minister's consideration; if, by some chance, arbitration was necessary between the negotiating committee of government, the negotiating arm of government, and the negotiation arm of the Civil Service, these people would work on behalf of the government in preparing its case going to arbitration, is that correct, as well as grievance procedure?

MR. MacMASTER: Yes.

MR. JENKINS: Right, fine. That answers the question

There are really no other questions, Mr. Chairman, that I have unless the Member for Kildonan has on the Civil Service Commission. I wish to thank the Minister for his answers. I think we've had a fairly good dialogue. I think we have got all the answers to all the questions. I can't recall any I have asked that we haven't had a reply to unless the Member for Kildonan has any but I think as far as I'm concerned I am prepared to deal with the Salaries now. Is there an increase in the SMYs here or is this just a built-in since we have increased by approximately \$320-some thousand in salaries? Would this be looking after some of the increments or would it be for extra SMYs within this . . .

MR. MacMASTER: Yes. There's a request for three additional staff; half a staff man year for Staff Training and Development; one-and-a-half to expand Career Counselling and Training capabilities of the Equal Employment Opportunity, I mentioned that before; one for Administrative Support to Process Documentation relating to the Dental Plan.

MR. CHAIRMAN: 1.(a) — pass; 1.(b) — pass.
The Member for Logan.

MR. JENKINS: Could we just get a brief explanation of the increase in the appropriation here, Mr. Chairman, the Other Expenditures, approximately \$121,000.00.

MR. MacMASTER: \$28,000 major increases in the operating cost include \$28,000 for Equal Opportunity; \$77,000 for Staff Development and Training; \$61,000 for the Excluded Management

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Compensation Plan implementation and \$40,000 for Personal Records Systems and 1.6 million is projected cost of claims under the Dental Plan.

MR. JENKINS: That would be down in . . .

MR. MacMASTER: Yes, that's down farther.

MR. JENKINS: That would be down in the next item.

MR. MacMASTER: I did it on the same sheet so I just kept reading.

MR. DEPUTY CHAIRMAN: 1.(b) — pass.

Be it resolved that there be granted to Her Majesty a sum not exceeding \$2,605,000 for the Civil Service — pass.

2.(a) — pass — the Member for Logan.

MR. JENKINS: Could we just have a brief explanation, since we don't seem to have that large of an increase of total employees, why there is the increase in this; is it increased wages that makes for the . . . Is this the government's share of the pension plan, including people that are already retired, since we're not completely in a completely funded plan? We're not matching employees dollar for dollar. I understand that there is a certain payment towards the plan and then there is a picking up of part of the pension payments for employees after they have retired. Of that 5.7 million what proportion goes to the plan; what proportion goes towards the portion that the Manitoba government pays towards employees that are retired?

MR. MacMASTER: I'll run through the different heading. Civil Service Superannuation went from \$4,900,000 to \$5,700,000; the Canadian Pension Plan went from \$3,097,000 up to \$3,250,000; Civil Service Group Life Insurance increased from \$1 million-plus to \$1.67 million, about an increase of \$50,000; Workers Compensation stayed the same, \$5 million, \$5 million; Unemployment Insurance went from \$3.150 million to \$3.307 million and the big increase is the Dental Plan, \$1.641 million.

MR. JENKINS: I don't know if the Minister and I are on the same wavelength. What I'm talking about is The Civil Service Superannuation Act and the amount of money that is put into the appropriation for this year. Of that total \$5,646,000, what proportion is going to the Civil Service Superannuation Pension Plan and what proportion of that is going to the payment of employees that are already retired? Since we are not a completely funded plan, that's my knowledge of the plan. If we were matching dollar for dollar in the plan from its initiation then there would not be a requirement unless there was something else that would be covered for an appropriation of \$5.7 million.

MR. MacMASTER: Mr. Chairman, the entire \$5.746 million goes to retired employees in the Province of Manitoba.

MR. JENKINS: Then the entire amount is for those employees who are already retired?

MR. MacMASTER: Just so I can correct as we go, or are projected to be retiring in the forthcoming year.

MR. JENKINS: Yes. Where, under what appropriation, perhaps it's in another department, does the government make its contribution to the pension plan as it stands now?

MR. MacMASTER: That isn't the process. The process is that we pay as the pension is drawn down. As the employees retire we budget the funds to carry all those that retire and we carry for the forthcoming year the projected numbers of those that will pensioned and it's a continuous, evergrowing number.

MR. JENKINS: What proportion would the Superannuation Fund pay in comparison. Are they paying from the fund? Is that an equal matching sum, or what would be the matching sum from the employees' fund?

MR. MacMASTER: The plan works, 7 percent employees, 7 percent employer and that is paid out when the employees retire. Last year's figure to cover all of those that were retired and were projected to retire was \$4.9 million and this year to cover those that are now in the system and retired and the projected retirements will be \$5.746 million.

MR. JENKINS: Then a matching \$5.746 million would be coming from the employees' pension fund. Is that correct?

MR. MacMASTER: Yes, that's correct.

MR. JENKINS: Thank you, that answers my question.

MR. CHAIRMAN: (2)(a) — pass; (2)(b) — pass; (2)(c) — pass; (2)(d) — pass.

The Member for Logan.

MR. JENKINS: Just a brief question here to the Minister. Just how do we pay to the Workers Compensation fund? Do we pay on our safety record, or is it just a fixed amount of money paid in by the amount of employees we have under employment? This wouldn't include employees working for Crown Corporations or anything like that.

MR. MacMASTER: The government, as an employer, pays on the same system as all employers in the province and that's on your experience. Last year our cost was half-a-million and this year it's half-a-million. The experience rating has not declined or increased significantly enough to change our rate.

MR. CHAIRMAN: (2)(d) — pass; (2)(e) — pass; (2)(f) — pass.

The Member for Kildonan.

MR. FOX: On the dental plan, I wonder if the Minister could give us a brief outline the kind of areas it covers. I know it wouldn't be a total coverage, because most dental plans are fairly expensive, but the parameters within which it operates?

MR. MacMASTER: Mr. Chairman, I have a book with all the details in it, but basically it's 70 percent basic and it's 50 percent restorative up to a maximum of \$700 in the first year. I am surprised, I

don't know whether the Members of the Opposition have ever received it, I certainly would hope so. — (Interjection)— Okay. I would hope they had received copies of it.

MR. FOX: And it's non-contributory by the employees?

MR. MacMASTER: That's right, Mr. Chairman.

MR. CHAIRMAN: (2)(f) — pass.

MR. FOX: Before we pass the whole department, Mr. Chairman, I'd like to thank the Minister for his cooperation. I think we'll close off when we pass the total Civil Service item. I should just like to say that we did leave a number of questions with him and I'm sure that his staff will get the information for him later and compile it and he'll ship it on to us. I think that's all that I have to say at the present time.

MR. JENKINS: I'd just like to reiterate what the Member for Kildonan said. I thank the Minister for his frankness in his answers. We've had a good look at the Civil Service Commission and we'll look forward to seeing the Minister when he presents his Estimates again. If there are any questions that are left unanswered, I can't recall any that I have asked, but if there are I imagine the Minister's staff will look. I know that last year when I asked questions and they were left that the Minister's staff and department did check Hansard and I want to thank the Minister for the answers to the questions that I subsequently received.

MR. FOX: Just one more item. I believe in past years we have received an update on the status of the Superannuation Fund, if my memory serves me correctly. I don't recall having one this year. Maybe I'm not totally correct but I do believe that we used to get an update on that every so often and I'd just like to suggest to the Minister if it's going to be available we certainly look forward to receiving it.

MR. MacMASTER: Mr. Chairman, I'll be tabling The Superannuation Act Report in the House when it's available.

MR. CHAIRMAN: Resolved that there be granted to Her Majesty a sum not exceeding \$15,514,700 for Civil Service — pass.
Committee rise.

SUPPLY - CONSUMER AND CORPORATE AFFAIRS AND ENVIRONMENT

MR. CHAIRMAN, Abe Kovnats (Radisson): This Committee will come to order. I would direct the honourable members' attention to Page 32 of the Main Estimates, Department of Consumer and Corporate Affairs and Environment, Resolution No. 38.

The Honourable Member for Rossmere.

MR. VIC SCHROEDER: Thank you, Mr. Chairman, I just wonder whether the Minister has the information, the answers to the questions I'd asked this afternoon in order that we can continue with this area.

MR. CHAIRMAN: The Honourable Minister.

HON. GARY FILMON (River Heights): Mr. Chairman, the Chairman of the Public Utilities Board was with me this afternoon and he said that the information would be available but he would have to go back to the office to obtain it all and put it in a form that would be easily accessible for the member and I don't think that he felt that it could be done over the supper hour, certainly. In fact it might be a day or two before he has that information all provided.

MR. CHAIRMAN: The Honourable Member for Rossmere.

MR. SCHROEDER: I take it then that we can postpone that portion to the end of the Estimates of this particular department and while I'm up I'm just wondering whether the Minister can advise as to whether the interest charges, if any, being paid out by Greater Winnipeg Gas, first of all, whether any of that interest is payable to NorCen; and secondly, as to whether it pays out any interest on any loans or debentures, any long-term debt or short-term debt, for that matter, whether those carrying charges are considered as a cost of doing business in the same fashion as wages and property taxes and gasoline are.

MR. FILMON: Mr. Chairman, as far as I'm aware they are. Getting back to the matter of the questions that were raised, my understanding is that the answers are a matter of public record. They are contained within the annual reports of the Public Utilities Board and it's a matter of putting them in a sort of summary form comparing year after year, so it isn't anything that hasn't been available to the members before or anything upon which I can foresee that there would be a debate, because the information is simply reported through me to the House and has been a matter of public record in each of the successive reports.

I'm advised as well that I will have the original of this year's report to table in the House tomorrow with the additional copies being available as soon as the Queen's Printer has printed them, so that is all available to the member. We were prepared to have the summary put together for the member, but I don't see any reason to postpone the debate on this particular item until we are able to put it in that sort of form for the member.

MR. SCHROEDER: In that case if we're not going to have this postponed, I'd just like to make a couple of comments about what has transpired this afternoon. We had the Minister standing and talking about the 6 percent that the poor shareholders receive and he just left it at that as an indication that that is the kind of return on investment that the investors are receiving. I would suggest that was only part of the truth; it was only part of the situation. He didn't tell us that, in fact, the shareholder of apparently 100 percent of the stock, is NorSen Energy. He forgot to tell us that; he forgot to tell us about how you work out . . .

MR. CHAIRMAN: The Honourable Minister on a point of order.

MR. FILMON: Point of order. I gave that information before the member even had arrived. I

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put that matter on the record for a previous speaker and he's implying that I withheld the information and it's simply not true —(Interjection)—

MR. SCHROEDER: Yes. Mr. Chairman, obviously I missed that and I apologize and withdraw that particular statement. The matter about the 6 percent however, when we ask the Minister whether the interest payable is deducted, whether there is interest payable to the head office, whether that is net after deducting head office costs and how much, we don't have the answer. We don't have the answer in terms of whether this is 6 percent based on the actual investment, that is invested funds as opposed to total investment, so we can have different calculations coming up and the answers given are not necessarily, in total, accurate in terms of what the shareholders are receiving on their actual investment. I say that because the Minister started off with the 6 percent. If he hadn't mentioned the 6 percent I wouldn't be talking about the rest of it, but once you use one figure, then we must find out where you get the rest of your figures from in order that you arrive at that 6 percent calculation.

MR. FILMON: Mr. Chairman, I did not start out with 6 percent. Unfortunately the member wasn't here when I responded originally to the Member for St. Johns. I said the actual rate of return, as contained within the information that is provided in the Annual Reports of the PUB, indicated that over a period of years the normal return had been in the range of 8 to 9 percent, normal actual return, but that it had been as low as the range of 6 percent. I might also indicate that I am only reporting to the House on behalf of the board the decisions taken as to the acceptable rate of return upon which their rates are structured, the allowable rates are structured, is a decision of the board. It's a decision that's not taken by me, as Minister, it's not a decision of government policy; it's a decision of the board.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. D. JAMES WALDING: Mr. Chairman, there were a couple of matters I wanted to bring up with the Minister, both having to do with the Public Utilities Board. The first one has to do with the matter of the Greater Winnipeg Gas Company and follows questions that were raised earlier. Mr. Chairman, it's my understanding that it's the responsibility of the Greater Winnipeg Gas Company to be responsible for it's delivery of natural gas as far as the entrance to a home is concerned — I believe entrance is a technical term, the Minister mentioned the meter and I'm not sure whether those two things mean the same or not — and that technically it's the responsibility of the homeowner, consumer, for that part of the distribution system which is within his home, inward of the meter, as it were. The Minister has explained to us that there is no contractual obligation there, no legal requirement, and that it has been solely as a matter of public relations or corporate relations, or whatever the expression was that he used, that there has been some service provided by the gas company. I would like to ask the Minister; can he confirm for me that it was only as a matter of public relations, or is there

something more than that that has required the Greater Winnipeg Gas Company to provide those sorts of services to the consumer?

MR. FILMON: Mr. Chairman, other than on matters of safety, in which the board does not take any discretion whatsoever, the gas company is required to ensure that safety to customers is always being adhered to and that means that if there's a suspicion of a leak or some sort of a faulty connection within the dwelling then the gas company does go in and is put in the position of rectifying that matter; but outside of that the matter of service to appliances and other incidental types of services that were provided is not a legal requirement as far as the Public Utilities Board is concerned.

MR. WALDING: Mr. Chairman, I asked the Minister whether there was some other requirement other than public relations or good corporate relations and the Minister answered me specifically in the matter of legal requirement by the company. My question was a little bit wider than that. I asked him whether there was any other requirement or indication or — perhaps requirement is the best word — on the part of the gas company to provide service inward of the gas meter.

MR. FILMON: If the member is referring to an obligation on their part then it has only to do with ensuring safety where the use of gas is concerned within the home. If the member is referring to whether they have in the past performed other functions within homes beyond the meter, then it apparently has been done in the past in a variety of ways on, as I said, a public relations or customer relations policy.

MR. WALDING: Mr. Chairman, my question to the Minister is whether those services have been provided only because of a public relations gesture on the part of the company or was there some other inducement or requirement for them to do so?

MR. FILMON: No, Mr. Chairman. For example, during the 1974 Victoria Day floodings the company went to a great deal of expense in fact, to hire additional staff from as far away as the Lakehead, to provide service within homes, to repair and maintenance equipment, gas appliances that were damaged as a result of the widespread basement flooding that occurred in Winnipeg. The board specifically did not allow the gas company to expense that with respect to their rate base for calculations for future years and took the position that that was not a normal occurrence or that it was not something they were obliged to do, and therefore it could not form a part of the rate base for future years' calculations.

MR. WALDING: Mr. Chairman, let me be more specific to the Minister and I ask him this because I don't know the answer. Mr. Chairman, I've been told that at the time that the Greater Winnipeg Gas Company was making its application for its exclusive franchise, that there was a letter or a document of some form from the company to whomever they were applying to, whether it was the government or the board of the day, in which they indicated that

they were prepared as a condition of service to provide some measure of service inside the home in-board of the meter, and that it was because of this letter they offered to provide this additional service that they obtained this exclusive franchise rather than some other group who were making application. Now this would appear to go back to 1958 and that's before my time and before the Minister's time. I wonder if he can enquire of his staff whether they have any knowledge of, or record of such a document or a letter or a contract or some indication on the part of the Greater Winnipeg Gas Company, that they were prepared to provide service of this type in a consumer's home.

MR. FILMON: I'm advised by the Chairman of the Public Utilities Board, Mr. Chairman, that they have no such information or document and that they had searched their files in an effort to find out if there was any precedence or any indication of this and it is not within the files or the information of the Public Utilities Board.

MR. WALDING: Mr. Chairman, I wonder if the Minister would be prepared to give us an undertaking that he would go back to the departmental files of the government in whichever department it happened to be at that time, to see whether there was a letter addressed to the government of the day or the Minister involved of the day to ascertain whether or not there was such a letter, a document or undertaking. Would he give us that undertaking that he will make the search?

MR. CHAIRMAN: The Honourable Member for Seven Oaks. The Honourable Minister.

MR. FILMON: Sorry, can I just respond that I, obviously being new to the portfolio and in fact new to the ways of government, would not know where to start but I will undertake to start the search and see if I can find it, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Mr. Chairman, I'd now like to ask the Minister a couple of questions on the transmission of natural gas to a residence outside of the meter, in other words, from the main distribution system, the line to the house and from there through the wall to the meter; in other words, the provision of service up to the entrance as I believe it's called, which I understand is quite clearly the responsibility of the gas company and that there is no argument in that at all. It's my understanding that the Greater Winnipeg Gas Company has a fairly steady stream of calls from consumers concerning breaks in the line, or possible leaks in the gas line outside of the service of a residence. I'd now like to ask the Minister whether the Greater Winnipeg Gas Company is responding to those calls and, if so, are they using their own management personnel to check out this perceived danger; are they using private contractors or are they not responding to the calls at all? The reason I mention the word danger is that, particularly at this time of the year when the ground is starting to thaw out and it's starting to heave up and down a little bit, it is quite possible for a leak to occur

immediately outside a residence and that this escape of gas can, under certain circumstances, enter a residence through a laundry exhaust, through an open window or through a cold air entrance to a fan; there is a danger there. Is the gas company taking the required steps to deal with it? Or, to put it briefly, can the Minister assure everyone who is a user of natural gas that they are being protected from breaches in the gas line?

MR. FILMON: Yes, Mr. Chairman, I can advise consumers that this response to perceived emergencies such as leaks or breaks in the line, or even in response to a fire in a residence or a dwelling or a building in which there is a gas service, is continuing to be done. The gas company has a 10 minute response time limit on any of these emergency calls and I'm advised that they are able to meet this, utilizing supervisory and management staff, and they are able to meet this 10 minute response to all emergency situations. In fact the time I solicited some information, about 10 days ago, on this particular matter because I know the board is extremely concerned to ensure everybody that the matter of safety is not at all being diminished, in terms of response by the gas company; when I looked into it there had been a total of 13 fires during the period from which the strike had started to the period in which I enquired and I was assured that the gas company responded to shut off the valve to the service to the building in all cases within the 10 minute limit and, in fact, in three of the 13 calls they had arrived before the Winnipeg Fire Department, so they were in fact making their response very very quickly as they are required to.

MR. WALDING: Mr. Chairman, I am very pleased to hear the Minister's concern; very pleased to hear also that the supervisory personnel at Greater Winnipeg Gas are able to respond so quickly to switch off the gas at the main when there is such a problem. A question arises from that; what happens in the event of a breakage in a pipe after the gas has been switched off? Who comes along to fix it or does the consumer have to wait until the end of strike before employees of the gas company will come around and restore gas service?

MR. FILMON: That continues to be a responsibility of the gas company and it would be incumbent upon them to repair that sort of situation.

MR. WALDING: Mr. Chairman, I'm not questioning the responsibility of the gas company to make those repairs. The question I raise with the Minister is who is making the repairs; is it the supervisory personnel at the gas company who are doing this or does the company contract or call in an outside serviceman to repair the damage?

MR. FILMON: They are responsible to make the repairs whether it be with their own supervisory staff or with contractors. I know that the installation of lines, for instance, is contracted out traditionally, even under normal circumstances not including a strike situation, so they do have this workforce available to them even at the present time and we are not aware, through the Public Utilities Board, of any instance in which they have not fulfilled their responsibilities in this regard.

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MR. WALDING: Mr. Chairman, I wonder if I could move on to a slightly different area of the Public Utilities Board and raise the matter of the Manitoba Telephone System and its rather unusual loan to a company by the name of Interdiscom Systems Ltd. I know that when the Manitoba Telephone System applies to the Public Utilities Board for a rate increase that the Board does probe very closely into many of the activities of its telephone system and indeed requires the system to provide details of its plans over the forthcoming year.

My understanding of the situation with Interdiscom was that the original financial dealings with the company came about by means of Interdiscom replying to a tender call and were given an original contract which was subsequently increased in a couple of steps, I believe the Auditor reported to us, and subsequent to that Manitoba Telephone System had advanced \$1.5 million to Interdiscom in the form of a loan which was, to my knowledge, the first time that something like this had ever happened.

My question to the Minister is, was this matter referred to the Public Utilities Board? Did the Public Utilities Board learn of it in advance of a loan being made? What enquiries were made by the Public Utilities Board into the circumstances surrounding the loan? Did the PUB make any response, either to MTS or to the government, as to the propriety or the safety of the loan?

MR. FILMON: The Interdiscom loan was a decision of the MTS Board of Directors, Mr. Chairman, after the last rate increase had been granted. The only way in which the Public Utilities Board might or might not become involved post facto would be dependent on whether or not it resulted in an application by the MTS board for a rate adjustment, but at the present time we don't envisage any way in which the PUB would become involved in making any judgment on the advisability of this loan.

MR. WALDING: I'd like to ask the Minister whether the Public Utilities Board was advised or approached by the Manitoba Telephone System in regard to this particular loan in an endeavour to get an opinion from the Public Utilities Board. Did MTS approach the Board in advance of making this move?

MR. FILMON: No, Mr. Chairman.

MR. WALDING: Mr. Chairman, I'd like to ask the Minister whether the board had considered the matter after learning that such a loan had been made, whether it was by reading the newspaper or through some other means. Did it come to the notice of the board and did the board consider it of sufficient importance or unusualness that it should consider the matter?

MR. FILMON: After becoming aware of it through the media, I'm informed that the Board asked for the information from the Manitoba Telephone System.

MR. WALDING: Mr. Chairman, the Minister tells us only half the story. After they had received the information, what happened?

MR. FILMON: Mr. Chairman, the Board has had no occasion to make a judgment on the loan decision.

It's a day-to-day management decision which the MTS Board is entitled to make and the PUB will not become involved unless and until the Telephone System applies for a rate adjustment.

MR. WALDING: Mr. Chairman, I think what the Minister is telling me is that the Board was sufficiently concerned when they read about it in the paper that they asked for the information and they discussed it and then nothing. Can I assume from that that the Public Utilities Board had reviewed the matter and had not found anything sufficiently alarming or disturbing to them that they felt necessary to report either directly to their Minister or to the Minister reporting for Telephones via their Minister?

MR. CHAIRMAN: The Honourable Minister of Natural Resources.

HON. HARRY J. ENNS (Lakeside): Mr. Chairman, perhaps as the former Minister responsible for Telephones, I can recall and refresh the honourable member's memory that the issue was raised in the Chamber by, I believe, the Member for Inkster during the last session at the time the loan in question was being made. I can indicate to the honourable member and to Members of the House that the matter was looked into and was judged to be an appropriate expenditure of funds by Manitoba Telephones, appropriate that is, within the authority vested in the corporation in The Manitoba Telephones Act. They are cooperating with the firm in question in a very significant research and development program and indeed it was taken one step further. The Attorney-General's Department was asked for an opinion with respect to the appropriateness of the loan in question, again on the same basis, was the Telephone Board of Commissioners acting within their scope of authority in making and approving such a loan, was deemed by the Attorney-General's Department and others looking at The Manitoba Telephone Act that this was a legitimate research and development expenditure of funds undertaken by Manitoba Telephones at that time.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Mr. Chairman, I realize that we're on the Estimates of the Minister in Consumer and Corporate Affairs and this Minister doesn't report for the Manitoba Telephone System. We will get to the Public Utilities Committee at a later date and possibly have an opportunity to ask the Minister reporting for telephones a few questions at the appropriate time, but I do appreciate the remarks that were made by the Minister of Natural Resources.

I raised the matter in the way that I did and phrased the questions in the way that I did to try to find out the involvement of the Public Utilities Board itself. The Minister of Natural Resources told us in his remarks that the matter was looked into. Now I know that the Minister involved was concerned, the government itself was concerned, and he tells me that the Attorney-General was. When he said the matter was looked into, is it a governmental looking-

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into that he was referring to or does he imply that it was the Public Utilities Board itself that looked into the matter at that time? He is shaking his head in the negative, Mr. Chairman.

But the Minister of Consumer Affairs has told us that the Public Utilities Board did consider the matter but that there was no report made to the Minister or concern raised. Let me ask the Minister, if the Public Utilities Board considered the matter of the security of the loan to Interdiscom, the Provincial Auditor has indicated to us that part of the security for that loan was the assets of Interdiscom and in particular a number of patents that it holds on some rather technical electronic or telecommunications equipment, which I understand have the potential to be extremely valuable. I want to ask the Minister now if the Public Utilities Board considered that security and whether they were satisfied that in the event of Interdiscom being unable to repay its debt, that title to those patents would in fact and beyond any shadow of a doubt revert, either to Manitoba Telephone System or to the public domain generally?

MR. CHAIRMAN: The Honourable Minister.

MR. FILMON: Well, as I indicated previously, Mr. Chairman, the board only looked at it on an informal basis to acquire the information, that is the Public Utilities Board, because there were some media reports of it; and that is not because any alarm was exhibited by the board but only because it's always concerned on any matter which relates to the day-to-day financial position of a utility under its purview; but it did not issue any order as a result of its review of the matter; it made no judgment as to the security of the loan or the details of the transaction or anything of that nature; it merely asked for the information which it acquired and did not go into any detail on it. As I said, it would not become involved with that particular loan unless it resulted in an application for a rate increase and will not be involved until and unless there is a future application for a rate increase by the utility.

MR. WALDING: Mr. Chairman, I find the Minister's last remarks somewhat odd. He is telling us that the Public Utilities Board asked for some information and having received it, looked into the matter on an informal basis and made no order. Mr. Chairman, having asked for the material, how would the Public Utilities Board do anything other than consider the material that it asked for?

It would be inconceivable to me, Mr. Chairman, if the Public Utilities Board had found something that concerned it or gave it grounds for alarm or found some reason to alert the Minister, or the government, or Manitoba Telephone System generally and not say anything about it. The Minister says that they didn't issue an order, fair enough, I accept that the Public Utilities Board had found no reason to issue an order. All that I'm asking the Minister for is that assurance that the Public Utilities Board looked at the matter, however informally, and were satisfied in their own mind that there were no red flags to run up; no reason to phone the Minister in great panic and say, you've got to do something about this. Why is he so shy about admitting that?

MR. FILMON: Mr. Chairman, the PUB was satisfied having regard to the questions that were asked in

the Legislature, the debate that arose in the House as a result of the matter, that surely the Provincial Auditor and the Attorney-General were providing the House with adequate information on the matter and that it was not something which required the Public Utilities Board's intervention.

MR. WALDING: Mr. Chairman, I never had suggested that the Public Utilities Board had a duty to do this or that it was a requirement that they should have reviewed it; we do have a public auditor, and the Minister has mentioned that the Attorney-General reviewed it as well, and we have a Minister that reports for the department. So all I wanted to know was, had the Public Utilities Board in its wisdom, apprised itself of the matter? The Minister tells us that it asked for the information, that it reviewed it and it didn't indicate that there was any urgent action required. That's all I wanted to know.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. SAUL A. MILLER: Thank you, Mr. Chairman, I have been listening to the Minister earlier this afternoon and this evening as well. With regard to the question of the gas utility, the Minister I gather, and if I'm wrong he'll correct me, implied that although he was Minister in the sense that he was responsible for the Utilities Board, responsible in the sense of fielding any questions in the House that may be asked of him, relaying that question to the Utilities Board and then bringing back the answer that the board conveys to him, and that basically the board is at arm's length from government; it's an established board; it holds hearings, etc., etc. He nods his head so I assume that's how he perceives his role.

As well, that the board gets involved when there is an application for a rate increase, the gas utility, or the Telephone System or any utility that wants to raise its rates then they make application to the Utilities Board; the Utilities Board orders hearings, has its own consultants on hand; they examine it; they look into all the cost factors which are put them; examine them, satisfy themselves that in fact, the facts as presented by the company are in order and then allow or disallow a rate increase. It could be at a substantial rate increase or a minor rate increase, they have that power. But the feeling I got was that generally the Board's attitude, it's relationship with the companies, is sort of the company is saying, don't call us, we'll call you. It was the Board sort of is passive and the Minister certainly is passive because his view is that he simply is a conveyor of requests, information and messages from the Legislature to the Utilities Board.

Mr. Chairman, I've been looking at The Public Utilities Board Act and I find that Clause 64(1) it says Investigation of Excess Charges. We have a situation here where a particular utility is now in a position where some of its employees have withdrawn services. They have therefore notified their customers that they cannot provide those services and if something goes wrong with their gas-firing units, whether it be a furnace or heater of some kind or other, or a stove, that they should call in a private contractor and have it repaired or looked after, as the case may be. Now the Minister, in responding to

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questions in the House and this afternoon, seemed to imply, well, he's not going to get involved in that. When the company comes back in the future, if they do for an increase in the rates, at that time of course the Board will look into what has occurred; they will look at the cash flow that's occurred in these intervening months, the fact that they haven't paid out — I don't know whether there's 40 employees, I might say there's \$15,000 average per employee, that's \$600,000 per annum that they haven't paid out hundreds of thousands of dollars in wages — that the Board may say, well, look, you didn't really pay those wages, therefore, the increase you're requesting is too high, we're not going to give it you; we're going to cut it down and recapture what you gained last time around which is, in my view, the wrong way of going about it.

The Minister has a reluctance to involve himself in a strike. Fine, that's fair game and he's correct. But the Minister I'm sure does recognize that the rate that was established had to take into account all the cost factors faced by the Greater Winnipeg Gas Company; whether it was wages; whether it was material; whether it was the price of natural gas that they were buying from Alberta; whatever it was. All these factors are put into the hopper, they're examined I'm sure by accountants, by engineers who will challenge the gas company. But in the final analysis they are examined and it's determined that in fact the company is entitled to 8 percent increase or whatever the increase happens to be. So that's built into their rate, it's built into the toll that they charge to cover all these costs. At this point they are not paying out certain moneys by virtue of the withdrawal of services that has taken place; they aren't paying it out. I maintain, Mr. Chairman, and I'm wondering really whether in fact it's proper for the Minister to say, well, you know, I don't get involved. As I say, the Act, under Investigation of Excess Charges it says "where requested to do so by the Minister or in the opinion of the board it is expedient to do so, then the board may proceed to hold investigations as it sees fit into all matters relating to the nature and quality of the service of the commodity in question or to the performance of this service and the tolls or charges demanded therefore".

Now, surely, if they have not decreased their rates to reflect the savings in their costs then they are overcharging, Mr. Chairman, and they are overcharging it and the Ministers says next time around, when they come for an increase we'll look at it. The time to look at it is when they are in fact benefiting from this strike because they are benefiting. As I said, I don't know how many people are on strike. I'm guessing, perhaps 40; I'm guessing that the average wage may be \$15,000, that's \$600,000 per annum. That's a good reason to continue that strike, let me tell you, it's a nice cash flow.

Further, I find that the general powers of the Board, "they may investigate on their own initiative". It says so, "upon its own initiative or upon the request of the Minister or the Lieutenant-Governor-in-Council" and they may undersee, look again, at the tolls, the fares, the charges made, etc., etc., or for any products supplied or service rendered. So, Mr. Chairman, I find it very strange that the Minister

(a) adopts the position that it's not me, now don't look to me to act on this matter; I can only act through the Utilities Board and the Utilities Board will do it next time they are faced with a rate hearing. Instead of the Utilities Board, which I think the Act gives them authority to act on their initiative, certainly it's very clear that where they are requested to do so by the Minister, it says very clear, then all matters relating to the nature and quality of service and the tolls or charges demanded therefore can be investigated.

Now if the Minister wants to get up and say that's the way I want it, well, that's his prerogative; that's his prerogative, that's fine. If he says I do not want to launch an investigation; I don't want another inquiry made; let the rates be as they are, we'll get them later on; if that's his position and he wants to say so, then I'll accept that. He stands or falls on that position. I would deplore it, as I think the customers of Greater Winnipeg Gas are going to deplore it, as well they should, because there's no question that so long as they are saving the kind of money they are saving, there is very little, I'll use the word "incentive" to the company, to settle that strike. It's a beautiful situation to be in. They just had a hearing; they just had a rate increase, it's set to go and it's introduced and then comes a strike. They are not going to hear from the Utilities Board again, and they're not going to hear from the Minister again through the Utilities Board until the next rate hearing which may be two months from now, maybe six months from now, we don't know.

I'll pose a hypothetical question to the Minister. Just supposing, by some remote fluke, inconceivable perhaps, that the Alberta or the pipeline, suddenly lowered its natural gas per unit costs, per cubic foot costs or however they measure it, they lower their price by 25 percent, would the Minister then take the position that he is going to nothing about it and wait until the Greater Winnipeg Gas applies for a rate decrease or a review of the rates? No way. I'm quite sure the Minister would expect that the Utilities Board will convene immediately to look at the rates to determine what the new rate should be, since there's a hypothetical, as I say, a theoretical drop in the price which the Greater Winnipeg Gas would pay for the natural gas it buys from the pipeline.

So I put those in the same category in my mind. If there were a drop in the price of natural gas to the gas company, I would expect the rate to drop after a hearing; if there is an increase in revenues to the gas company, because of a strike, because of money they are not paying out, and yet those moneys I'm sure were calculated in the rate from the very beginning and are still calculated in the rate, that in fact the Minister has an obligation. If the board doesn't do it, although they too have the authority to do it on their own, but if the board doesn't do it the Minister can request, he doesn't have to order, he can request the Board to look into the rates. Are the rates fair in the light of the payout of the gas company, of the gas utility? Are they making money on this strike? Is it conceivable that in fact there's an incentive to the company to take its time about settling the strike? Because the idea that somehow we'll catch up to them later, that later never comes about, because at the next hearing there'll be so many new factors and so many new increases in costs that it never quite evens out.

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It's like the days when we had the wage and price controls here and the companies were required to roll back prices and some were ordered to roll back prices. But the fact is, on later investigation, it was shown that what they had to roll back was far less than what they actually made by exceeding the threshold that they were permitted, the profits they were permitted. The same will happen here so I'm curious to hear from the Minister whether, in fact, he realizes the position he's taking of hands-off is not something, and I got the impression when he was speaking and I accepted what he said, that that's what the Act says it's really not him it's the board. But the Act, as I see it, specifically says the Minister can do it as well as the Board and I am surprised that he hasn't asked the Board to do it. I won't ask the Board why they haven't done it on their own because I'm not speaking to them, I'm speaking to the Minister who answers for them, and wondering why the Minister hasn't gone through the logical step of saying, hey, there's been a change in the profits that the company is going to be able to make; let's review the rates and see what has changed since last time and if, in fact, there's a change, they're making more money or they're having less expenditures than they indicated they would have, then the rate has to be adjusted immediately after the hearing, like now, not a year from now or six months from now.

MR. FILMON: Mr. Chairman, the total revenue requirements for the Greater Winnipeg Gas Company for this year are established at \$136,625,000 which if my calculations are correct is somewhere in the range of about \$2.5 million a week. The 40 people that the member refers to who are not being required, however many they are, if they're earning something in the range of \$500 a week that would be something like \$20,000 a week. You're looking at a very very small possible diminution of the total costs that the gas company might incur. You're not factoring into it the fact that they now have to pay overtime to get supervisory personnel to do the job that these people are not. I also know from information received from the Board that the gas company is probably putting on greater security personnel in a variety of locations during the course of the strike, and they have increased costs in that respect. They may have a variety of different increased costs in the course of the Public Utilities Board's investigation and discussion through its consultants with the gas company; there appear to be indications of a variety of areas in which there may be increased costs.

So the net effect, whether it's plus or minus, is not very large in the overall total with respect to its revenues. In order to change a rate, either up or down, the Public Utilities Board would have to convene a public hearing and to do so in the course of a strike, without knowing what the net effect or the difference is in costs in order to achieve this, it just seems not rational to say that in the midst of the strike, without knowing what the pluses and minuses all add up to in terms of a differential a cost base for the gas company, it seems to me as though I'm being asked simply to intervene to put pressure on one side in the course of an industrial relations viewpoint. I cannot perceive it as anything else because there doesn't appear to be any clear justification, any clear evidence, that there are large

amounts of money being changed as a result of the strike, large amounts of savings. There may be and there may not be because on the one hand we're being made aware that they have increased costs; on the other hand we're being made aware that there may be some savings in salaries not paid; but the net effect surely can't be judged in a period of time of three or four weeks in the midst of a strike when all of the factors can't be brought to bear.

It seems to me that it's the perfect kind of information that should be brought out in a public hearing, in a short period of time from now, I believe it's around April or May that they will be coming forward for a rate increase, and that kind of information can more properly be brought out. I hope that the strike is over by that time so that we will know exactly what the total effects are on the plus and minus side. If the total effects are that there has been a savings on the part of the gas company then the customer will save and that is, after all, the concern of the Public Utilities Board and my concern, as Minister, is that the customer will save by this whole process. At the same time, if they have had to plug in some costs that aren't ongoing normal costs, such as this extra security and that, it won't even be allowed for them in the base rate upon which their next rate will be calculated. So it seems to me that there isn't any sort of a case that can be built for my intervention at the present time.

MR. MILLER: The Minister started off this whole dialogue I think a week ago, the last few days and certainly today, taking the position that he should not intervene. What I've heard today is an intervention. He has intervened and he's judged. He's decided that the amount is negligible out of an entire total budget; he's decided that the amount is so small that it may not be — really out of a budget of \$136 million how much is about \$600,000.00. He said it may run 100,000, wages may be annualized at \$100,000, 20,000 at 50 weeks — \$1 million — I'm saying it was 600,000.00. But on the one hand he's saying, don't look to me; on the other hand he's now gotten up and explained to us why he's not doing it because he can't see, he's already judged the situation and decided that the savings are so small.

Mr. Chairman, whether they're small or large the rate we assume is established based on known costs. Those costs that the Greater Winnipeg Gas admitted and were proven, I assume by the accountants, to be valid have not materialized. It's now two months, it may be another two months, that's a third of a year; it's not a matter of whether it's 1 percent of \$136 million or it's 10 percent of \$136 million; the fact is there's a substantial savings to the company and their rates do not now reflect that saving. Certainly it's an incentive to the company to continue as they are maybe till the hearings in May. I can assure the Minister that they'll have a lot of reasons of why they don't have to recover any of these savings; there'll be other factors coming along; there'll be new increases in the price of gasoline, the per cubic feet from Alberta and the thing will simply disappear.

So, Mr. Chairman, I can't accept the Minister's position and I think he's wrong in now arguing that the position he's taking is not as he did before saying you know, that's the Utility Board, I simply respond to questions about them, I don't intervene.

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Now he's saying, yes, he has a right to intervene to the extent of requesting a hearing by the Utility Board. He doesn't want to do that because he has prejudged it. He has decided that they may have other costs, security costs, because they have to secure their premises because of the strike. Maybe they're paying overtime to management personnel, although much of management personnel is on a weekly or a monthly salary, they're not on an hourly basis. Maybe they're going to be given a bonus, maybe they're not, I don't know. These are things I don't know and he doesn't know, unless he has already spoken to the Gas Company. That may be, I don't know what he's done, but he has stated certain assumptions and then proceeded to justify his actions or inactions based on those assumptions. I don't think this is a service to the public.

The suggestion that in the final analysis it's the consumer he's concerned about, I have to say to him that I don't believe the consumers will view his inaction as a service, that the so-called savings that are going to pass on to the consumer in June or July, whenever they're going to pass on, are never going to materialize. You're never going to see them, but they do know that today they have to phone Furnasman, or — who are the other companies — Great West, and pay them their \$35 per call even though all he does is turn a little switch because he knows where the switch is located. The consumer who is doing that is not going to be convinced by the Minister who's saying, "Yeah, come May or June, your rate may drop, maybe". That's a disservice and frankly, in my view, it is not — since you're dealing with a monopoly, a company that's guaranteed by law that they must make a profit, whether it's 6 percent as the Minister says, or 11 percent as I suspect, doesn't matter. They have a monopoly; they're the only show in town; they set the ground rules and now they've taken one ground rule and changed it unilaterally and said, "you, the consumer, you don't like it, switch to oil; get an electric stove, get an electric water heater, but that's the way it is". In my view that is inadequate. It's not a position that a government whose concern is the public generally, the consumer, it's an attitude that I find appalling.

In the light of the Minister's comments, I'm surprised that this Minister would take that kind of attitude and then try to justify it as he has done all day today and last week during Question Period.

MR. FILMON: Mr. Chairman, I want to respond by saying firstly, that there is no guarantee that the Gas Company will make any rate of return, much less the allowable rate of return on their investment. That is not within anything that the Public Utilities Board does. (Interjection)— I said there's no guarantee they'd make any rate of return, much less the allowable rate. (Interjection)— Well, because they can get the rates adjusted the following year, — (Interjection)— but there's no guarantee that they will make the allowed rate of return or anything close to it. As I indicated it oftentimes does not happen.

What I said in the previous discussion was that the Board had decided that there was no cause for intervention at the present time. I have asked the Board and they say that they're satisfied that under the present circumstances, there isn't a role for them to intervene in the present situation, because nothing in 1981 has been allowed in their rates, no costs

have been allowed in their rates. As I said before, their current rate is based on a 1979 test year, with the only factor being taken into consideration is the 1980 wage adjustment, which was a known factor. So nothing that they have in the costs this year is taken into account when deciding this year's rates. It's only the 1979 costs with the 1980 wage adjustment. (Interjection)— The 1980, not the 1981, so nothing of the 1981 costs are taken into this present rate. Nothing. (Interjection)— At the same time, they are paying everything else and that's a known factor. The Board is satisfied, as I said, that at the present time there's no need for intervention.

I'm trying to visualize what the member is asking to be done. I think he's suggesting that a hearing be convened that would set a rate based on a strike that is under way right now, based on a certain saving; if the strike ended the day after the rate was advertised, another hearing would have to be convened to then allow them to recoup this extra amount, however small that was. (Interjection)— No, no, no. Well, if you suggest that it has to be done one way, then it has to be done the other.

MR. MILLER: It's two months late now.

MR. FILMON: It's not two months late, it's about five weeks, I believe since the strike, it started in early February, five, six weeks, somewhere in there. But whatever the case may be, if we could go on figures and facts that we knew that we were confident of and we held the rate hearing, and I suggest that all that information isn't even available to hold a rate hearing today and the strike ended the next day, visualize what the Gas Company has to go through to send out a set of bills to adjust it to a very small, minor decrease and then two weeks later has to readjust it upwards, it just doesn't make sense.

The fact is that they're coming up for review in April and they will be reviewed, and obviously with this picture fresh in our minds, the Public Utilities Board will definitely know about it, will definitely ensure themselves that whatever costs are taken into consideration are valid costs and they'll know what has happened. So it seems to me that that's a much more practical and sensible way of looking at it than to suggest that we go in now with a rate hearing and then we have to change it two weeks from now if the strike ends. It just doesn't seem to make sense.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Chairman, the Honourable Minister has a point. He has a point that it would probably be counterproductive to have a hearing now to determine how much of a rate decrease should take place to compensate for the fact that the company is using the Minister, is using its employees, is using the consumer to act in a scandalous way towards its employees, because the rate increase would be perhaps negligible across the board. But there is a way of dealing with the question and that is for the — and I keep saying the Municipal and Public Utility Board, it used to be but that was maybe 20 years ago — the Public Utility Board and the Minister have got the power to say to the Gas Company, "You will continue to pay for

those procedures which you previously paid for". They have got that power and they are avoiding that responsibility. If they did that, Mr. Chairman, there would have to be no hearing, the customer would not be being gyped and the strike would be settled. What the Minister is doing under the guise of non-intervention is, he is intervening in the strike on the side of the Gas Company. That's what he's doing. There are crimes, Mr. Chairman, of commission and crimes of omission and the Minister is engaged in that kind of wrong, and if I wanted to be rhetorical I would say crime of omission because the Gas Company could do exactly what the Member for Seven Oaks is saying next time around. Really, they're going to recover these things in the long run, but what will not be recovered and what you cannot restore to it's previous position is the single customer who had to pay the \$50 because even with the Member for Seven Oaks' proposal, if their saving money on their Maintenance Department and therefore it's spread out, the \$50 or \$20,000 that they save on one week's wages is spread out amongst all the customers. It doesn't help that consumer who has to get service done that was previously done by the Gas Company, and the Minister has not answered that problem.

It's answerable so simply that it is astonishing to me that he persists in taking the position that it's a hands-off policy. The Gas Company has a strike, nobody except some people, who I cannot comprehend, takes the position that during that strike if a person's gas breaks down there will be a law that nobody can fix it. Nobody says that. Well, some people say it but I really don't believe them when they say it. So the consumer has to get somebody to fix it and he phones the Gas Company and the Gas Company has a responsibility to fix it. Instead of them saying, "Our Service Department is on strike, hire a contractor and pay for it", they can say one of two things, "Our Service Department is on strike and although we still want to negotiate with them we are not going to let your house go cold, we will send down a contractor and it will be at our expense." And the next year when they come to the Utility Board they will show expenses and the Utility Board will have to judge whether they should build that expense into the rate, which I say they shouldn't, because that would let the company off scott free and where there is an industrial dispute it hurts both ways, but in this case the Minister is hurting the employees only and he is doing it and he cannot avoid that responsibility. He is doing it by the acts of omission which he is engaged in with regard to this strike.

It would be such a simple matter, Mr. Chairman, to get in touch with the Gas Company, and say, "The government frowns on this. There will be a strike, the employees are negotiating, you're negotiating, you're not going to make capital out of this strike. We're not going to tell you that it has to be settled. You're still entitled to negotiate with the employees but you're not going to profit by it and your customers should continue to be served." Now, how difficult is that? You know the Minister said, and then I repeat, Mr. Chairman, because I have to repeat it. The Minister didn't answer it. I said, "Tell the Gas Company that their lease expires in 1983 and the government at that stage has to review, by the Act it

has to review, whether it's going to continue with the franchise or not continue with the franchise. The Minister says that's a threat, Mr. Chairman.

You know, interestingly enough when I went home today I had a threat, what the Minister calls a threat. Every cottage owner, who doesn't have a one-year lease, has a 21-year lease. He's entitled to a 21-year lease and the lease expires after 21 years. And the government can say you no longer have that cottage and as a matter of fact I got a letter which said, "The following work has to be done. Don't apply for a lease until that work is done." Did they threaten me? Are you not prepared to treat the Gas Company the way you treat the individual? Have you considered what you are going to do with the Gas Company? Has the Conservative Government considered what is going to happen when the franchise ends? Have they made an assessment as to whether this should be better operated publicly or better operated by the continuance of a franchise. Do they let that kind of thought creep into their heads or are they determined, come hell or high water, that that franchise is going to be renewed and that to think otherwise is to engage in threats.

Mr. Chairman, the people of the City of Winnipeg, and now it's one city and I notice that under the Act the arbitrations and the appointments had to do with municipalities in Winnipeg, which is no longer applicable. Have you looked at that to see how the negotiating committee is going to be made up? Or is that thought so foreign to your minds that you cannot offend the Gas Company by even thinking the thought. It's like, Mr. Speaker, the confessional or the notion of sin, that it's not only sinful to do the act but to think it is sinful, and the Minister is obviously saying that it's not only sinful to take something into public ownership but to think it is sinful, no matter what the circumstances. But it's in your Act. Are you preparing for it? It is not far away. Possibly you are not preparing for it because you don't expect to be in government in 1983, and if that's your answer, I applaud you and I sit down and I say fine. But if you are thinking that the government is a continuing entity, that is a major event that is coming, and the Gas Company should be aware that it's coming and the Gas Company should also be aware that the Act indicates that an Arbitration Commission may be set up to purchase those assets at an arbitrated figure if it cannot be agreed to and that henceforth this public utility will be operated by the public and I repeat, as Adam Smith said it should be operated. If you don't want to go to Carl Marx then at least go to Adam Smith. He said that public utilities should be operated by the public and I think, Mr. Chairman, I happen to have with me — no, this is the policy, interestingly enough, Mr. Speaker, this is the policy statement of the Progressive Party in 1922. "Provincial ownership control of those public utilities which come within the jurisdiction of the province and the operation of such under commissions responsible to the Legislature."

Mr. Chairman, I would call upon this as being the policy of the Progressives of 1980. "Provincial ownership control of those public utilities which come within the jurisdiction of the province," which includes the distribution of gas. That comes within the jurisdiction of the province. So the Progressives were saying it in 1922; the Progressives are now

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saying it in 1980. It's in the Legislation that was enacted by Liberals and Conservatives. Are you thinking about it, or is the thought an indication that there is a threat of something terrible going to happen. There is no threat. When these people got their franchise they got it on the basis that it would continue until 1983. They are hard-headed businessmen. They knew after 1983 that it could be operated publicly.

I would like the Minister to answer. Are you going to look at your own Legislation? Will you look at it and will you prepare for those negotiations that are outlined in there and the negotiations include a contingency that it will be turned into a public utility? Are you willing to consider that contingency?

MR. FILMON: Mr. Chairman, I am aware that the matter of the continuance of gas distribution in Greater Winnipeg beyond the end of 1983 is under review by my colleague, the Minister of Energy and Mines, under whom the Act now comes. That has been under review for some time.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, just to clarify, the Minister in responding to my comments implied that I was suggesting that somehow the rate be lowered. I realize that the lowering of the rate would be so minuscule that it wouldn't amount to very much. What really I was zeroing in on is those people who are today paying a higher rate. They are paying the rate that everybody else is paying plus the cost of a service call. To these people the rate has been increased, whether it's \$35, whether it's \$50, what have you, and the Board in looking at these things, the Utility Board surely doesn't just concern only with rates. Surely it concerns itself and according to the Act they have the power to do so, the general powers, to look into this, any product supplied or the service rendered within the province.

Now if up until now, the service rendered by the Greater Winnipeg Gas Company included maintenance, surely if they are now longer including maintenance as part of the rate, but they are charging extra for the service rendered, that maintenance fee which the individual has to pay, the maintenance charge, then that is a change in the rate that person is paying. It says here very clearly; it says that the Utility Board looks at the service rendered and there's a change in the service rendered. If I can no longer call the Gas Company and I have to call Great West Heating or if I have to call Furnasman or whoever I have to call and I have an additional charge to pay beyond that which I paid a year ago or three months ago, then to me there's been an increase in the rates and certainly there's been a change in the service which every customer of Greater Winnipeg Gas is now facing. Because in the past the Board, when establishing rate, also had to take into account all the services ever being rendered by the company. There is no way they could establish a rate otherwise, so that in establishing that rate —(Interjection)— they cannot discontinue service to the public without authorization of the Board at least one year prior to discontinuance. (Interjection)— Well, they have discontinued.

Now, it can be argued, well, this is a strike and therefore in a strike, things change. So they couldn't give one year prior notice. I can understand that, they couldn't foresee a strike, but there is a discontinuance of service; there is a lowering of service; there is a diminution of service; there is less service and less service means that the person who has to call on the utility for maintenance, which in the past was part of the rate they were paying monthly, today is faced with an additional bill. To that extent and for that reason I am saying the Minister should order or request the Board to look at it, even though he now tells us that they've considered it and decided that they wouldn't, they're going to look at two months hence. The fact of the matter is that there's been a change in the service unilaterally; the fact they couldn't give one year's notice and I can understand that; but now there's been a change in the service.

They had no business to change that service. If the franchise they have permits them to be the monopoly in this field and they have established a certain level of service to their customers, that level of service has to be maintained. If they have to pay Furnasman or they have to pay Great West Heating or they have to pay some private electrical or plumbing contractor, then let them pay it. Why should the consumer pay it and why should the Utility Board permit that sort of action to take place, and why should the Minister allow the Utility Board to simply say, "Well, we looked at it and we'll examine it in detail come next May or come April?"

In the meantime the Gas Company is in breach, in my opinion, of the franchise and the Utility Board, the Minister certainly, is totally ignoring the fact that in discontinuing a service unilaterally they are changing the contract, the franchise they have; they are changing the contract they've had with the people that they service, whether it's in Greater Winnipeg or beyond, I'm sure of the catchment area they serve, but it's an alteration in a procedure that's been going on for years. To that extent it's in breach, I feel, of the monopoly franchise which they have.

So again I say to the Minister, it's not enough to simply say they'll look at it two months hence and he doesn't want to order them or request them to look at it again or to hold a hearing because the hearing cost money. If it costs money, then they who are party to the strike, because they are one-half of the strike, you can't have a strike unless both sides are agreeable to a strike here and both are obviously allowing a strike to happen, and by allowing a strike to happen, they are changing the level of service. The level of service is part of the rate, because when I pay for something, what I am paying for entitles me to a certain level of service as well as the product. If I don't get it, then it's a breach of the contract.

MR. FILMON: Mr. Chairman, as I said before, the reference to the provision of service there ends at the meter. It does not include the services that are under debate. The Board disagrees that they have the power to require the Gas Company to pay for those services that the member is referring to and in fact the reduction of services that he's referring to, that occur inside the dwellings, they believe the Greater Winnipeg Gas Company is not legally obliged to provide them. That is the case, and that's

the the advice I'm given and that's the report I'm making of the information of the Board.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, the Minister is leaving one question unanswered. Does he believe this should be so? He's now saying that the Board tells him that they can't require it. Does the Minister believe that what has been discussed all afternoon and all of this evening is an acceptable situation, because, Mr. Chairman, the Minister has not come out and said things are going as they should be going? He is saying things are going in such a way that I am told that by law I cannot do otherwise. That is what he has said continually. Does he think that things should be other than they are? Have we made a bad case? Because if we have not made a bad case, Mr. Chairman, there is a simple solution to the problem. The Minister has the power. He says I have the power. Will the Minister get up and say I recognize that this is a bad situation, I recognize that a franchise holder who has a monopoly and who has provided a service and the customers had relied on that service, the cost of that service was included when they were asking for rates, that service should continue to be provided? That if there's a strike and the service can be purchased elsewhere, that the customer should be reimbursed by the Gas Company during that strike? That's true, it will hurt the Gas Company to some extent, but the workers are also being hurt, that is the effect of a strike. Does he say that's the way it should be? Because if he doesn't, Mr. Chairman, he can correct it. Bring it along, quick, we'll give it three readings. I am sure that the New Democrats will co-operate. There'll be three readings in one day saying that the Gas Company shall not discontinue a service that had been traditionally provided and that this shall be retroactive to January 1 of 1981.

I mean we did retroactive legislation; the precedent is there. We cancelled the salary retroactive. Does the Minister think that things are as they should be; not as they are, not whether or not they are legal because you will have legal arguments which you will never solve? You did not accept as legal, binding, legally binding on you, a decision of three judges of the Court of Appeal of the Province of Manitoba on the constitutional question. You said the other two are right and you're going to go to the Supreme Court, and you're hoping that in the Supreme Court they'll say you're right. It may be that five will say you're right and four will say you're wrong. Does that make the five the oracle on the question? Well, if there is an entrenched Bill of Rights it will, but if there is not then it can come back to the elected representatives of the people to say, we are not going to quibble about whether it should have been interpreted this way or whether it should have been interpreted that way or whether seven of the best judicial minds in the country have said one thing and eight of the best judicial minds in the country have said the opposite, we are going to do what is right. Will the Minister come in and bring in legislation if he feels that he is powerless legally, and I don't agree with him, but if that's what he feels, will he bring in legislation to do what is right or does he say that what has been said here is wrong?

MR. CHAIRMAN: Resolution No. 38, that's the end of it.

The Honourable Member for Churchill.

MR. JAY COWAN: Thank you, Mr. Chairman. I'd like to talk to the situation with the Public Utilities Board and Greater Winnipeg Gas, but from a slightly different perspective. I would, by way of introduction, indicate to the Minister that a number of weeks ago there was a leak in a propane tank at, I believe, the Wilkes Avenue Greater Winnipeg Gas Company's main gate facility and that leak was discovered and it was shut off. I would ask the Minister if the Public Utilities Board has investigated the situation as to what caused that leak and if the Minister can update us as to the results of that investigation?

MR. CHAIRMAN: The Honourable Minister.

MR. FILMON: Mr. Chairman, the matter is and has been under police investigation and the Public Utilities Board has been kept informed of the situation. It appears as though the leak was caused by a rupture of a pipe at the facility and the police are investigating the matter to try and attempt to determine the cause.

MR. COWAN: The Minister says that it's under police investigation, that the Board is being kept informed as to the results of that investigation. The question to the Minister is, is the Board participating in that investigation in an active way at all because it's my understanding that in occurrences of this nature, the Public Utilities Board would be a party to the investigation?

MR. FILMON: The engineering officer of the Public Utilities Board is involved as is the company with the police investigation and is being consulted and informed at every step of the process.

MR. COWAN: Well, as the Public Utilities Board engineer is a part of the investigation, perhaps the Minister can provide us with some information as to what the findings of that investigation have been to date.

MR. FILMON: The investigation is still under way, they, as of now, are not able to determine the exact cause of the rupture in the pipe.

MR. COWAN: Can the Minister confirm information which was provided to me and I give it to him for confirmation, because I have no way of confirming it myself, that in fact where that leak occurred it was a new instalment and that in fact that pipe that ruptured was a modification of the existing system and was being tested for the first year. Can he confirm that information?

MR. FILMON: I'll have to take the question as notice and ask for confirmation of that, Mr. Chairman.

MR. COWAN: While the Minister is taking the question as notice I'd ask him if he could as notice also the question as to the exact details that have come out of the investigation by the Public Utilities Board and if he can report back to us as soon as possible. Is he willing to take that commitment at this time?

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MR. FILMON: Yes I will and report back in detail when the investigation is complete.

MR. COWAN: The Minister has thrown another qualification in the commitment and he says now he'll report back in detail when the investigation is complete. I can only ask him then when it is anticipated that investigation will be completed?

MR. FILMON: When all the facts have been obtained, Mr. Chairman.

MR. COWAN: Can the Minister indicate when it is anticipated that all the facts will be obtained? I can tell the Minister that if he wants to play that sort of semantics game with me, we can play for a long time. What I'm asking for from him is some indication as to how far along that investigation is and when it is expected that investigation will be complete? Now I'm now asking the Minister to give me a date that is set in stone. I'm asking the Minister to try to provide some general information as to when it is anticipated that investigation will be completed by both the police and the Public Utilities Board?

MR. FILMON: Mr. Chairman, all I can agree to do is give an update to the member tomorrow as to where the investigation stands, at what stage it is, but as to when the conclusions will be brought forward I can't give any indication.

MR. COWAN: There is a difference in the two commitments that he made. The first was to report when the investigation was complete, the second of course was to give an update on the status of the investigation tomorrow. We will accept the second commitment from the Minister.

I would also like to ask the Minister if he can indicate what action is being taken by the Public Utilities Board in response to a recent request by SteelGas Utilities Limited for a 4.5 percent increase in the rates for propane consumers in Thompson, Flin Flon and Snow Lake?

MR. FILMON: I am informed that an increase of that amount was allowed as a result of the federally imposed excise tax in November and that was granted by the Board on an ex parte basis in response to the federal excise tax that was imposed in November of this past year, but there is some confusion if the member thinks there has been another one requested and I understand that that confusion has been shared by others in Thompson. The Board has heard reports of it, but in fact it was only that one adjustment that occurred as a result of the federal excise tax in November.

MR. COWAN: Perhaps the Minister could provide us with an outline of the increases which have been awarded to SteelGas or propane prices in Northern Manitoba in the communities of Thompson, Flin Flon and Snow Lake over the past two years.

MR. FILMON: I'd be glad to provide the member with copies of the orders of the Board which detail all that information.

MR. COWAN: I would hope that the Minister would be able to provide that information in an abbreviated

form, perhaps at this point just to read out the increases which have been allowed over that period.

MR. FILMON: Normally the Minister doesn't get involved in analyzing that information. I can provide him with the Board orders that indicate the increases and if he wants to analyze it and make comparisons and so on, that's fine there's no problem there.

MR. COWAN: The reason I ask the question is there appears to have been significant increases awarded to SteelGas Limited in Northern Manitoba for the propane prices which they are charging consumers in Thompson, Flin Flon and Snow Lake. It's gotten to the point now where the increases seem to be accepted or the increases which are asked for seem to be accepted carte blanche, if not carte blanche with very little modification, and people in those communities are starting to question the role of the Public Utilities Board. They are starting to question in fact if they are receiving protection as they should be by that particular agency. So I'd ask the Minister if he can provide some detail as to how the Board comes about to make decisions in respect to those requests for increases in propane prices for consumers which are made by SteelGas Utilities Limited?

MR. FILMON: Mr. Chairman, that's exactly why I've suggested that it's not appropriate to provide it in an abbreviated form. I'm advised that there's a long and detailed explanation and justification with respect to each and every application and the resultant Board order for the increase. It involves all complexities with respect to each, to the gas utility involved, and the member can obtain all of this from the Board orders.

MR. COWAN: I can read the Board order as well as anyone I guess, or at least on par with most, but I would ask the Minister for something beyond that. I would ask the Minister for him to provide us with some of his own thoughts in respect to the increasing prices for propane users in Northern Manitoba. I would ask him to provide us with that information, not so much for myself, but for those individuals in Thompson, in Flin Flon and in Snow Lake who are having to suffer through these types of what appear to be constant increases in the price of propane that they buy from SteelGas Utilities. They are suffering through it because the Board appears to be allowing those particular increases to be passed on with very little modification. Now the Board has said that they do modify them from time to time, but I think if one would look at the price that was asked and one would look at the price that was granted, there would be very little difference in respect to those two figures, that modification may in fact have been attempted but that it was not of a significant nature. So what we would like from the Minister in respect to that is a general statement and we would like the Minister's opinions as to whether the Public Utilities Board is in fact fulfilling a function in respect to protecting the consumers in Northern Manitoba when it comes to the price of propane?

MR. FILMON: I'm satisfied, Mr. Chairman, that the Public Utilities Board is fulfilling its function. It does have the expertise with regard to the types of

consultants that it's able to acquire and to analyze the information that's provided by the company along with its request for a rate increase. I'm satisfied that the Board has regard to all of the relevant information when it makes its orders on those increases and that's all I can say at this point; other than to say that my colleague, the Minister of Energy and Mines has in the past said that he would like to review or investigate alternate sources of energy for those northern communities in view of the fact that the price of propane and the various energy sources does appear to be increasing rapidly and he is concerned and that falls into the whole area of investigating alternative sources of energy for those communities. But with respect to the analysis of the applications being made by the company, I'm satisfied that the board is doing a very thorough job in reviewing them.

MR. COWAN: As one resident in the northern community suggested at the last hearing, he said that and I quote, "The average consumer feels helpless in this situation. Whenever an increase is requested, it's granted." That consumer went on as well to say, "It would also appear that the federally imposed excise tax is simply going to be recouped from the consumer without any long-term study of whether it could be absorbed by the producer. Can the Minister indicate if the Public Utilities Board was directed to undertake that study to determine whether or not that federally imposed excise tax could in fact be absorbed by the producer rather than passing it on directly to the consumer?"

MR. FILMON: I would believe that the Board would have considered that, but I would not have directed the Board to consider that because of the relationship that the Minister has with the Board that I explained in detail this afternoon.

MR. COWAN: The Minister indicates that it's his belief that the Board would have considered the two options. The first option being that the producer be asked to accept the federally imposed excise tax and to absorb it. The other option being to ask the consumer to do that by passing it on directly to the consumer. I'd ask the Minister if he can be more specific as to what considerations the Board discussed when reviewing that situation. Did they look at the profit picture of SteelGas Utilities Limited, in effect the profit picture of Dome Petroleum? Did they look at the cost of living increases in Northern Manitoba? Did they look at the wage increases in Northern Manitoba? What information did they utilize in order to attempt to determine who could best absorb that particular increase?

MR. FILMON: The Board would consider any and all matters that were within its jurisdiction in arriving at the final Board order.

MR. COWAN: Then as the Board allowed that increase to go through as it was first presented to the Board by SteelGas Utilities Limited, it was a decision of the Board therefore that it was the consumer that could best absorb the increase in the propane prices brought about by the federally-imposed excise tax. That implies conversely that it was the company that could not absorb that and

that their profit picture was such that they were unable to absorb that 4.5 percent increase.

MR. FILMON: The federal tax made it quite clear as to where the incidence of the tax was to fall and the Board simply took that into account in making its judgment.

MR. COWAN: So the Minister is saying that the Board was directed by the Federal Government so they say, to have that price fall upon the consumer rather than to have it fall upon the producer? The Minister is shaking his head that that is not the case. Well then the question has to be following upon his last remark — how were they so directed? What criteria did they use to come to that decision?

MR. FILMON: The increase was laid on the producer and it was passed along to SteelGas, who were the distributor in Thompson. Obviously when the application for a rate increase went through the Board considered all the alternatives that might be addressed. Perhaps that included having the company absorb it, perhaps that included having a customer absorb it or any combination thereof or any other alternatives and arrived at the decision which they brought forward in their order.

MR. COWAN: I would ask the Minister then if he can inform us as to what was the percentage increase which was asked for by SteelGas Utilities Limited and what was the percentage increase which was awarded to SteelGas Utilities Limited by the Public Utilities Board?

MR. FILMON: That's explicitly laid out in the order and I've already agreed to provide that for the member.

MR. COWAN: I'd ask the Minister for the sake of expediting this evening's discussions if he could provide me with that one figure. Now I have agreed to await the other figures for such a time until I'm provided with the Board's orders, but I think what we are talking about is the last increase, and I don't think that it is an exorbitant request on my part to ask the Minister if he can provide us with that information specifically. The information was, what was the increase which was asked for by SteelGas Utilities Ltd. and what was the increase that was awarded by the board to SteelGas Utilities Ltd.?

MR. FILMON: I don't have copies of all the Board orders with me nor does the Chairman, so much as I'd like to, the earliest we can do it is tomorrow, Mr. Chairman.

MR. COWAN: Perhaps I can rephrase the question. Was the increase, which was awarded to SteelGas Utilities Ltd., the same as the increase which was requested by SteelGas Utilities Ltd.?

MR. FILMON: I'm informed that the request to the company was varied as it applied to the various rates of customers and resulted in an average that was different from what was requested by the company.

MR. COWAN: How much different? Was it less or was it more than that which was requested by the company?

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MR. FILMON: Less.

MR. COWAN: He indicates that it was less. Would he have some idea as to the differential between the original request and the award, not in specific terms but in very general terms? Was it a great differential? Was it large? Was it small? Was it somewhere in the ballpark? We'll certainly afford him the luxury of answering in those sorts of general terms.

MR. FILMON: Mr. Chairman, we don't have that information and the Chairman of the Board cannot give it to me from memory and I don't think he should be asked to speculate on it, so all we can say is that you'll have the precise information tomorrow.

MR. COWAN: When the Public Utilities Board examined that request for an increase, did they take into consideration the profit picture of both SteelGas Utilities Ltd. and Dome Petroleum?

MR. FILMON: I'm informed that Dome Petroleum is beyond the jurisdiction of the Public Utilities Board and although the Board was interested in that information, it was not provided to them, so they were in no position to require it to be provided.

MR. COWAN: It is my understanding, I may be proven wrong on this, but I think the information has been provided to me correctly, that Dome Petroleum owns SteelGas Utilities Ltd. If that is the case then when one looks at the profit picture of SteelGas Utilities Ltd., in order to make an accurate determination as to exactly how faithful that profit picture is to the actual profits that are being experienced by that subsidiary of Dome Petroleum, it would be necessary to look at Dome Petroleum's records. The Minister indicated that that was a matter that in fact did interest the Public Utilities Board, but they were unable to require that information because Dome Petroleum was beyond their jurisdiction.

I would ask the Minister then, if he can be more explicit as to the representations which the Public Utilities Board made to Dome Petroleum in order to request that information and what the detailed response of Dome Petroleum to those requests happened to be at the time they were made?

MR. FILMON: The Public Utilities Board was in a position of either accepting the information provided by SteelGas and evaluating it and being satisfied as to its legitimacy, or not accept the information, turn down the request for the increase and run the risk of putting in jeopardy the viability of the gas utility that distributes in Thompson.

MR. COWAN: So the Public Utilities Board found itself, to use a colloquial, between a rock and a hard place. They had to accept what SteelGas told them on faith, that it was in fact an accurate picture of what was actually happening with that company, without being able to thoroughly examine what was happening with the parent company, Dome Petroleum. Is that an accurate interpretation of the information that the Minister just provided to us?

MR. FILMON: Mr. Chairman, it's not a matter of faith, it's a matter of accepting the information that's

filed with the Public Utilities Board by the SteelGas Company and utilizing that as the basis on which to calculate the request for the rate increase.

MR. COWAN: So in fact, the situation is that they accept that information that is provided to them by SteelGas Utilities Ltd. without being able to verify that information by going to Dome Petroleum books. That appears to be the case as has been outlined by the Minister. That is an important issue. I would ask him if he can verify that that is the case and let me be as explicit as I can in my suggestion. The suggestion is that SteelGas Utilities Ltd. could say that they were in fact being charged so much for propane from Dome Petroleum and the Public Utilities Board would accept that, but would not be able to determine how much in fact Dome Petroleum was making off of that sale of propane to SteelGas Utilities Ltd.

MR. FILMON: The first thing, Mr. Chairman, the information filed by SteelGas is filed under oath and secondly, the Board requires that there is open bidding, that is, SteelGas must ask for bids and obtain written submissions for the propane in bulk form to be obtained for them for distribution. They must obtain bids for it and not just from Dome Petroleum, but for others.

MR. COWAN: I'm not doubting the accuracy of the figures which were provided to the Public Utilities Board by SteelGas Utilities Ltd. What I'm suggesting is that there are ways of making some figures appear to be more than they are or less than they are. Now the Minister is saying that the Board requires that they ask for written bids from other suppliers of propane in order to attempt to deal with the very problem that we're attempting to deal with at this moment. I would ask the Minister then, in the case of this latest increase, did in fact the Public Utilities Board require that SteelGas Utilities Ltd. provide them with copies of written bids for the supply of propane, the price of which was being determined by the hearings?

MR. FILMON: Yes, Mr. Chairman.

MR. COWAN: The assumption that flows from that is that Dome Petroleum gave them the lowest price in the bids. Is that correct?

MR. FILMON: It was the only contract that guaranteed them a firm price throughout the coming year, with the exception of tax changes, so it was the best price available to them.

MR. COWAN: I have to note that the last increase probably guaranteed them a firm price throughout the year except in the event of tax increases as well. The Minister indicates that that was not the case. Perhaps I'll let him comment on that last suggestion.

MR. FILMON: That was the case that the last price was guaranteed for a year, but the point is that the price of propane today is far higher than it was at the time in which they entered into contract. Had they entered into contract with the company without having a guaranteed one-year fixed price on it, the consumers in Thompson would have been faced with

the possibility of having to have successive increases as a result of dealing with another company.

MR. COWAN: When awarding the increase, which was awarded recently, for an increase in the price of propane to consumers in Thompson, Snow Lake and Flin Flon, did the Board take into account the rising price of propane since the last time that the increase was awarded or did they in fact, only take into account the increase that was brought about by the imposition of a federal excise tax?

MR. FILMON: The last Board order only reflected the federal excise tax increase. The previous order reflected other increases that have occurred in the price of propane.

MR. COWAN: In order to make certain that the record is clear, the previous increase was one that was asked for on the basis of increased price of propane and not on the basis of increases in tax, is that correct? The Minister is indicating that that is correct. So what I'm asking the Minister then and he may have already answered it, but I want to make certain in my own mind that I understand the situation correctly; this last increase in fact did not in any way reflect any increase or any increased cost to SteelGas Utilities Ltd. or Dome Petroleum Ltd. other than that of the federally imposed excise tax; it did not take into account what taxes may be a period of time from now; it did not take into account what the price of propane may be a period of time from now; it did not take into account any of the increases in the price of propane that might have occurred since the last time an award was made by the Board; it only took into account the very limited and specific federally imposed excise tax?

MR. FILMON: Yes, Mr. Chairman, I can confirm that the last order of the Board only confirmed the ex parte award of an increase based on the federally imposed excise tax. Previously in October, there had been another one that dealt with the other matter.

MR. COWAN: I think it must be put on the record now and I'm only taking this from a newspaper article, so I can't confirm that it is the actual price, but it is indicated in a newspaper article discussing this recent increase that in October, SteelGas was awarded a 29 percent increase in the price of propane to consumers in Thompson, Flin Flon and Snow Lake.

I would hope the Minister would be able to provide us with information as to how many consumers are affected by the increases that were recently awarded by the Public Utilities Board in those three communities. In other words, I know that not all consumers are affected per se, or for example in Snow Lake and not all are affected in Flin Flon. Does the Minister have some idea of the numbers of consumers which are affected? As well, does the Minister have some idea as to the categories of consumers which are affected?

MR. FILMON: Mr. Chairman, we'll provide that information for the member along with the other information we promised.

MR. COWAN: I expect that we'll have an opportunity perhaps during the Minister's Salary to

discuss that, because I imagine we'll be passing this item this evening, so we will just have to take that opportunity if it is necessary, or if we determine it to be necessary upon receipt of the information which the Minister will provide to us tomorrow.

However, I don't believe the evening should be let go until having commented generally on what is happening to propane users in Northern Manitoba. I'll be as brief as I can given the lateness of the hour. But it appears to them and I'm certain they've made representation to the Board when that opportunity presented itself and I imagine they've made representation either to the Minister or to the Minister previous to him in this portfolio in respect to what appeared to be an increasing, a consistently increasing level of price of propane in Northern Manitoba. As the Minister indicated, there was a 29 percent increase last October, there's another increase now; we don't know the percentage, we believe it to be in the 3 to 5 percent area generally. We have asked the Minister for the detailed percentage increase, we're not certain what it is, he says he'll provide that to us at another date, but there appears to have been a whole series of increases over the past few years in respect to the price of propane in Northern Manitoba and it is getting to a point where it is becoming prohibitive. The price of propane is becoming prohibitive to the general consumer. The latest increase, if it was a 4.5 percent increase, and I'm not certain that was the figure, but let's just assume that that was the figure. That would add \$35 to the cost of heating an average-sized home annually in Thompson, bringing the total heating bill to \$828.30 a year, that's on the average and those are SteelGas figures in respect to the cost of heating your home. That's speaking about a home, and that's a significant increase for the homeowner, for the average consumer. However, the schools, the hospitals, the general business operations are also affected by these increases and I don't have the exact details before me, but I can get them if necessary, that show there is a significant jump in the cost of heating a school for every percentage increase awarded to SteelGas Utilities Limited for the price of propane in Northern Manitoba. One would say, I guess, that they have to make a dollar too; one would say that they have to be able to show a profit at the end of the year, but the picture is so clouded because SteelGas Utilities Limited is owned by Dome Petroleum and Dome Petroleum is a major supplier, a major oil industry giant.

MR. ENNS: But it'll all be cheaper when Petro-Canada owns it though, because when I go to that Petro-Canada station right now I get my gas for 15 cents cheaper right now.

MR. COWAN: The Minister says that when he goes to the Petro-Canada, and not the Minister of Consumer Incorporate Affairs, the Minister responsible for Wild Rice he says, he says that it is cheaper. I'd only ask the Minister what Petro-Canada he's going to because, perhaps I should do business there as well. I'm not certain that the Minister is going to the Petro-Canada Gas Station but we have to take him at his word.

MR. CHAIRMAN: Harry, trade him for wherever he gets cheap digestive biscuits.

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MR. COWAN: You know the Minister responsible for, whatever, has a remarkable tendency for getting a person off subject and I'm not going to allow him to do it to me this evening. Although I do appreciate his interjections from time to time, I don't in any way want to discourage the Minister from providing us with the insights that he does from time to time, especially . . .

MR. ENNS: Let's talk about the outrageous price of wild rice for a while.

MR. COWAN: I do not want to discourage the Minister from providing us with those insights in the way in which he provides them, because it does make a long evening sometimes appear shorter. It does make a long evening sometimes actually get longer though, I have to inform him of that. I don't have to inform him of that, he knows it only too well. But I would like to get back on subject. I just have to comment briefly on the price of wild rice. (Interjection)— No, I won't. That's my next question to the Minister because I happened last Saturday to make a wild rice dressing for a turkey that I was cooking and found that the price was exorbitant, not only the price of turkey but the price of the wild rice. Had I been cooking with a propane stove I'm certain that the price of the propane would have been exorbitant as well. However, I wasn't, I was cooking with an electric stove and now I imagine I have given the Minister an opportunity to talk about the five-year hydro freeze. No, I don't think I'm going to entice him into the debate this evening. There'll be other times to talk about that I'm certain.

To get back to a serious subject, and that's not to say that I didn't enjoy the brief interlude with the Minister, but to get back to the serious subject of prices in Northern Manitoba. Something has to be done. Now we know in the Throne Speech that there was some indication that the government is looking at a pipeline to Thompson and two other northern communities to provide natural gas to those communities, at a lesser price, or we assume at a lesser price than propane currently is sold for in those communities. If that were the case I'd ask the Minister if he can outline what involvement the Public Utilities Board would have in respect to approving that pipeline and in respect to the prices of natural gas that would flow through that pipeline.

MR. CHAIRMAN: The Honourable Minister of Natural Resources.

MR. ENNS: Mr. Chairman, the Honourable Member from Churchill alluded to it, but certainly that is perhaps the biggest part of the answer to the problems of heating, heating fuel and energy generally in Northern Manitoba, is to encourage our Minister of Energy, who is spending a great deal of his time to promote the kind of thing that could resolve or at least help alleviate that situation and bring natural gas to Northern Manitoba. It was not to the passing reference that was made during the course of some of the announcements about potential future economic activity in this province and I think it is something, quite frankly, particularly the northern members should be much more vocal about. All indications are, in an otherwise not that bright energy field, that we do have and will have for

a number of decades a substantial supply of natural gas in this country. It seems to me that we ought to be doing everything that we can to see that all parts of the country have an opportunity of using that fuel. Particularly, when the alternative customer is always ready, is always there to take that supply of energy, namely our American friends south of the border.

So, Mr. Chairman, I look forward to the kind of enthusiastic support, that I know my honourable friend, the Member from Churchill is capable of, when the Minister of Energy returns to this Chamber from time to time. I haven't seen him that often myself the last little while but . . .

MR. CHAIRMAN: Order. Order.

MR. ENNS: . . . when he does return I would ask him to encourage him to redouble his efforts to bring about the development that could see natural gas flowing north as well as south.

That is the answer to my friend's problem in Churchill, the answer to his constituencies problems — well, not the answer but it will help. It will go a long way to bring about a reliable, a reliable in the sense of fuel for the next several decades in any event, and more important, Mr. Speaker, and more germane to the Estimates that we are now doing, brings it under the capable hands of the Public Utilities Board and then becomes regulated as a public utility and the member can make not only his speeches here in this Chamber but he can make them at any subsequent price rises that inevitably will happen in the case of natural gas as well, whether Petro-Canada owns it, or Dome, or anybody else, but then we do have the forum, the appropriate public mechanism in place to assure that those price increases are reasonable and ones that cannot be avoided.

Thank you, Mr. Chairman.

MR. COWAN: We certainly do appreciate the thoughts which the Minister has provided to us this evening. I just have to note that it is not parliamentary to allude to a member's absence in the Chamber and had expected that you would have called him to order on that, however, I do not wish to reflect on the ruling or the lack of ruling by the Chair. However, the Minister's comments, in fact, are taken seriously and one would like to see, and when I say one would like to see, I would like to see as would others like to see, some analysis of the cost of providing natural gas to Northern Manitoba through a pipeline system. I'd like to see the details as to how expensive or how inexpensive that process might be. I'd like to see the direct end result and that would be the price to the consumer. How much would they save by a natural gas pipeline being run through the province to the Northern communities? I'd like to know which communities are going to be affected by that, which communities that it is anticipated will be served by that pipeline? When would be the anticipated completion date of that pipeline? What studies are being done as to the environmental impact of that pipeline?

So, all these studies are a necessary prerequisite to the construction of any sort of a pipeline and I would like to quite frankly have received more information from the government following upon the announcement of their consideration of such a

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pipeline in the Throne Speech of a few months ago, but that has not been forthcoming. We are waiting eagerly for that information; we will take every opportunity to support that facet of that operation which we believe deserves support; we will also take the opportunity to criticize any facets of the operation which are in our opinion ones to be critical about; and we would like to discuss the matter in more detail, as I am certain the members of the government side will do as well. They will criticize where criticism is necessary; they will support where they feel support is deserved.

The original question which was given to the Minister maybe 15 or 20 minutes ago, however, was what part will the Public Utilities Board play in the examination and the analysis of that pipeline in the cost benefit studies and environmental assessment impacts and how will the public of the province have an opportunity to make their viewpoints known through the Public Utilities Board as we move towards that very admirable goal?

MR. CHAIRMAN: Pass. The Honourable Member for Churchill.

MR. COWAN: I'm sorry I thought the Minister was getting some information on that particular question. Will the Public Utilities Board be involved in the Government's efforts to bring a natural gas pipeline to northern communities?

MR. CHAIRMAN: The Honourable Minister.

MR. FILMON: That would be up to the Minister of Energy to determine. They would not normally be involved in that type of hearing.

MR. COWAN: The following question then must be, of course, would they be involved in examining the prices of natural gas which would be supplied to consumers in Northern Manitoba through that pipeline.

MR. FILMON: Only if the pipeline were declared a public utility, Mr. Chairman.

MR. COWAN: The Honourable Member for Lakeside, I wouldn't say mislead me, however he left me with the wrong impression. I will have to review Hansard in order to determine if he did not in fact say that we would have an opportunity to appear before the Public Utility Board to discuss the prices of natural gas which flowed through that natural gas pipeline. I think he said that, I think he'll agree that he said that, and now the Board is telling me differently, unless of course it is a public utility, in which case we will have that opportunity. So perhaps, that discretionary power which is that of the Minister's in respect to declaring this a public utility or not will in fact mean that the Minister was correct in his analysis.

MR. FILMON: My colleague, the Minister of Natural Resources, was only assuming that at the end of the pipeline or at various takeoff points there would be public utilities to distribute the natural gas in various locations in Northern Manitoba and their prices would then be subject to the review of the Public Utilities Board.

MR. COWAN: The Minister's reputation has been saved. I knew that he would not purposely mislead us or try to lead us astray, which is a kinder way of saying the same thing.

I would ask the Minister, because I am not as familiar with the Public Utilities Board as perhaps I should be, is the Public Utilities Board responsible for negotiating contracts with Inco in respect to prices that they pay for hydro-electricity from Manitoba Hydro?

MR. FILMON: No, Mr. Chairman.

MR. CHAIRMAN: Resolution No. 38: Resolved that there be granted to Her Majesty a sum not exceeding \$1,854,700 for Consumer and Corporate Affairs and Environment, Corporate Affairs \$1,854,700 — pass.

Resolution No. 39, Clause 4, Environmental Management (a)(1) Salaries — pass.

The Honourable Member for Burrows.

MR. BEN HANUSCHAK: Yes, Mr. Chairman. I note that this branch of the Minister's Department deals with the matter of improvement of the environment. I'd like to draw to the Honourable Minister's attention a Resolution that was passed by this House some time ago, a number of years ago, and I'll come to that a bit later, and I'm just wondering what the government's position is on that matter at this time.

Now, Mr. Chairman, I note that the Minister is busy with his staff and I can appreciate that because they're probably matters that erupt from the previous item. Once he is through with that then I will proceed with the subject matter of this Resolution, which I am sure that he would want to hear. (Interjection)— This is from the journals of the Manitoba Legislative Assembly and the Resolution was approved by the House reads as follows, and I think that is particularly appropriate this year because there is some danger of similar weather conditions as had occurred then, perhaps not to the same extent in Manitoba but certainly other parts of Canada and perhaps even in our own province and it read as follows:

"WHEREAS owing to the unusual absence of sufficient rain in the province, the growth of grain therein during the present season has been considerably hampered and retarded and;

"WHEREAS certain portions of the province in the past years have been visited with hailstorms causing considerable damage and loss to grain, and;

"WHEREAS in certain European countries meteorological mechanical devices have been contrived for the purpose of super-inducing rain at unfavourable periods and for the prevention of hailstorms;

"THEREFORE BE IT RESOLVED that this House is of the opinion that the question of adopting similar methods to those adopted and used in other countries for the purpose of producing rain during periods of drought and preventing the occurrence of disastrous hailstorms in the province be actively taken into consideration of the government and all inquiries made on the premises."

Now, Mr. Chairman, this Resolution was passed a number of years ago before my time and, of course, much more longer before the Minister's time. In fact I would even suspect even a bit before your time, Mr.

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Chairman. It was passed on the 19th of June 1900. The mover of the Resolution for the interest of the information of the Minister, the mover was one Dr. McInnes, a Tory backbencher. The Honourable Minister will recall that those were the days of the government of Sir Rodman Roblin and one of his backbenchers, Dr. McInnes, the Member for Brandon City moved it. The seconder was the Member for Norfolk which took in the Carberry area, one Mr. Lyons, also a government backbencher. At that time the backbenchers, in 1900, 81 years ago, had sufficient confidence in their Treasury Bench to believe that they could make rain and the Resolution was passed unanimously. Mr. Roblin said, "Yes, I will undertake the responsibility to . . ." Now he didn't say he was going to make rain, he's going to take it into consideration, actively take it into consideration and he'll make all inquiries into the matter.

Now that was 81 years ago, passed by a Tory administration, and I checked through the journals to see if there was any subsequent Resolution to rescind it and there was none, so I presume that the Tory Party is still committed to the Resolution asking it to make rain.

Now they've had 81 years to study the matter. This government prides itself in its monitoring capacity and studying and reviewing and so on and so forth, so I would like the Minister to tell us whether he still feels bound by this Resolution passed by his political party 81 years ago, whether he has completed the study and whether he now proposes to take any action on this in accordance with, as I note the Estimates say that Environmental Management consists of activities aimed at the protection and improvement of the environment. I would think that making rain in a period of drought is improving the environment. I'm sure the Minister wouldn't disagree with that.

So I would appreciate hearing the Minister's comments 81 years later to find out whether he still feels committed to this and whether he has taken any action on this and whether he proposes to take any further action to bring this Resolution, which at that time merely directed the government to take the matter into consideration and make all inquiries into the premises, whether now he is prepared to act.

MR. FILMON: Mr. Chairman, I'm more than happy to follow the example of my predecessors some 81 years ago and say that I'm willing to take the matter under consideration and make all inquiries to see whether or not I can be of effect in this regard, because I share the member's concern. Obviously we, all of us, would like to see rain come in sufficient quantity to provide for the bountiest crops that the Minister of Agriculture would like to have in the province. It would certainly be my pleasure to contribute towards that worthwhile objective.

MR. HANUSCHAK: I'm glad to hear the Minister undertake that responsibility because in checking the makeup of a Cabinet at that time it really did make me wonder who in fact would assume this responsibility, because the Cabinet then consisted of only the Premier, who was also the Minister of Agriculture and the Railway Commissioner. He at that time by the way was the MLA for Woodlands, which is now, I suppose, largely the Constituency of Lakeside. He had a Provincial Treasurer and a

Minister of Public Works and an Attorney-General and a Provincial Secretary and Municipal Commissioner, which was one portfolio. Which of those was prepared to undertake that responsibility? I don't know. But now I'm glad to hear that the Minister responsible for Environmental Management will see what further progress could be made back from the days when a Resolution of this type was passed even before, I was going to say, the invention of the airplane; perhaps not, there may have been some crude forms of aircraft in 1900, I'm not sure. The Wright Brothers didn't fly until sometime later. But even before the aircraft was perfected they had some ways of rainmaking, so surely now the Minister ought to do even much better than what his predecessor Sir Rodman Roblin committed himself to do.

MR. CHAIRMAN: (1) — pass; (2) — pass.
The Honourable Member for Churchill.

MR. COWAN: On (1), Mr. Chairperson. I'd ask the Minister if he might not believe this to be an appropriate time to have the Committee rise as we are going into a new department or a new section of his department, a section which takes a fairly long time to examine in detail. I think we might be better able to start the examination of this department in that detail tomorrow if the Minister is so inclined.

MR. CHAIRMAN: The Honourable Minister.

MR. FILMON: I'd prefer the member to pass (a) on faith and take my assurance that he could have ample time on (b), (c), (d) and (e), but if he insists, then I'll move Committee rise, Mr. Chairman.

MR. CHAIRMAN: Committee rise.