

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 15 July, 1986.

Time — 2:00 p.m.

**OPENING PRAYER** by Madam Speaker.

**MADAM SPEAKER, Hon. M. Phillips:** Presenting Petitions . . . Reading and Receiving Petitions . . .

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**MADAM SPEAKER:** The Honourable Member for Burrows.

**MR. C. SANTOS:** Madam Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same, and asks leave to sit again.

Madam Speaker, I move, seconded by the Member for Inkster, that the Report of the Committee be received.

**MOTION presented and carried.**

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. J. STORIE:** Madam Speaker, it's my privilege to table the Annual Report of the Teachers' Retirement Allowances Fund Board for the year 1985.

**MADAM SPEAKER:** Notices of Motion . . . Introduction of Bills . . .

### INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before we proceed to Oral Questions, I would like to direct the attention of honourable members to the gallery where we have 10 students from the Business Learning Opportunities for Native Youth under the direction of Miss Verna Mentuck.

On behalf of all the members, I welcome you to the Legislature this afternoon.

### ORAL QUESTIONS

#### Manitoba Lotteries Commission Review

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker, my question is to the Premier.

The question is: Is his government still committed to a freedom of information policy?

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Yes, Madam Speaker. The Attorney-General has dealt with a number of questions during

this Session pertaining to the eventual proclamation of the legislation.

**MR. G. FILMON:** In view of that answer, Madam Speaker, will the Premier then instruct his Minister responsible for Lotteries to share copies of the Review of the Manitoba Lotteries Commission, the lottery system, that was done by three Manitoba Lotteries Foundation directors and the former Deputy Minister, Mr. Al Miller? Will he have that report shared with members on this side of the House so that we can know and understand what is being recommended with respect to lotteries?

**HON. H. PAWLEY:** Madam Speaker, I will ensure that I have a copy of the report myself and then it will be shared with honourable members across the way. I'm sure that can be done very expeditiously.

**MR. G. FILMON:** Madam Speaker, I'm delighted to hear that the Premier is willing to do it. I just suggest to him that there are already 10 umbrella groups who have copies of that report, and I suggest that members of the Legislature, duly elected representatives of the people of Manitoba, should not be left to the end to receive it . . .

**MADAM SPEAKER:** Does the honourable member have a question?

**MR. G. FILMON:** . . . so will he ensure that we receive that copy today?

**HON. H. PAWLEY:** Mr. Speaker, I've answered the question.

**MR. G. FILMON:** Madam Speaker, I'm asking the Premier whether he'll ensure that we get a copy today?

**HON. H. PAWLEY:** Madam Speaker, we don't in any civilized society respond to demands today, tomorrow, but as expeditiously as possible. I will be obtaining a copy, members on this side, and it will be shared with members on that side.

**MR. G. FILMON:** Madam Speaker, is it the policy of the government to send the report out to 10 different umbrella organizations representing many other people in Manitoba and not to have members of the Opposition, duly elected representatives of this province, have a copy of that report?

**HON. H. PAWLEY:** Madam Speaker, I'm not acquainted with the particular report. It is my understanding that it's an internal report, an internal report that affects a number of groups and organizations, some 10 groups in total I'm advised, and it is principally a matter that those particular client groups ought to, by way of courtesy, have an opportunity to examine prior to. They represent, I understand, the voluntary organizations of

this province that participate in athletic, cultural and other pursuits.

Madam Speaker, I think out of courtesy to those groups and to all those volunteers and individuals that the Minister was certainly quite right in ensuring that they have a copy in advance for their own edification and discussion purposes. The Minister will be distributing it to both government and Opposition caucuses forthwith.

**MR. G. FILMON:** Madam Speaker, is the Premier suggesting that the members of the Legislature do not deserve the same courtesy?

**HON. H. PAWLEY:** No, Madam Speaker.

**MR. G. FILMON:** Madam Speaker, then if the Premier believes that courtesy ought to be extended to members of the Legislature sitting here in Opposition, who want to review that report and its recommendations, will he ensure that it's tabled today?

**HON. H. PAWLEY:** Madam Speaker, I indicated that this was an internal document that would be made public and fully available to all members of the House. The document has been made available to those groups that are most interested in discussion pertaining to same.

I'm delighted that honourable members are interested in it, and it will be made available to them.

**MR. G. FILMON:** Madam Speaker, these umbrella groups, in my understanding, received the report back in May. We are talking now about a matter that is to be discussed in the Committee of Supply before this Legislature, and members of this side of the House are being denied the opportunity to review it and prepare for those Estimates.

Will the Premier not take some action on behalf of freedom of information, a policy which he says he supports, and give it to members of the Legislature on this side now?

**HON. H. PAWLEY:** Madam Speaker, I seek some advice from you as to repetitious questions. I've already indicated it will be made available as expeditiously as we can.

**MADAM SPEAKER:** Sometimes it is very hard for the Speaker to determine until the question is totally out whether it's repetitious or not.

### **Brandon University - Perkins' settlement**

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, carrying along further on the freedom of information policy, will the Premier now instruct his Minister of Education to demand of the Board of Brandon University that they release the document that involves the settlement between the University of Brandon and Dr. Perkins?

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. J. STORIE:** Madam Speaker, I have dealt with this question on a number of occasions. I indicated to the Leader of the Opposition and members opposite that the Brandon University Board of Governors have an opinion, a legal opinion, which I have confirmed that they should not release it because it could do damage to the settlement which has been negotiated.

I have indicated on a number of occasions, Madam Speaker, that Brandon University is an autonomous board of 17 individuals who reached the decision some time ago that change was required in leadership; that change has been implemented. Madam Speaker, they were empowered to negotiate a settlement; they did that. I believe it resolves one of the fundamental and outstanding issues which has concerned the community for the past several years. Madam Speaker, it resolves an issue which has done no good to Brandon University nor to the relationships between the individuals involved in that university.

**MR. G. FILMON:** Madam Speaker, is the Minister willing to table that legal opinion?

**HON. J. STORIE:** Madam Speaker, I did not record my telephone conversation with legal counsel for Brandon University, but I can indicate, and I'm sure that the member could confirm that advice by writing to the Brandon University Board of Governors or contacting the chairperson of that Board of Governors, that question has been raised in my own mind several times. I have indicated that I am not completely satisfied with the way this matter has been dealt.

Madam Speaker, I have indicated on other occasions, however, that I am satisfied that the matter is resolved, that Brandon University has resolved the questions that I have raised with them with respect to the settlement, its implications for the ongoing operations at Brandon University.

Madam Speaker, I believe members opposite have been apprised of the substance of that agreement. There is a continuing — (Interjections) — Madam Speaker, I believe they have been apprised of the substance of that agreement, which is essentially Mr. Perkins continues as a Faculty of Education member. There was a cash settlement of less than \$40,000, funds to a pension over a number of years, and that is the sum and total of that negotiated settlement, Madam Speaker.

The terms of the agreement — I have not seen it, but those are my understandings. Brandon University is an autonomous board. They have a legal opinion which prevents them, they believe, from releasing all of the details and aspects of that agreement.

**MR. G. FILMON:** Madam Speaker, the substance of the settlement has been conveyed to us by Free Press reports, reports that members opposite have said we shouldn't rely upon.

Madam Speaker, my question is for the Premier. In view of the fact that the lawyer works for the Board of Brandon University and is not responsible to this Minister, but in view of the fact that the board is

responsible to this Minister through its appointments and through its funding, will the Premier instruct his Minister to demand that the Perkins' settlement be made public to clear the air?

**HON. H. PAWLEY:** Madam Speaker, I already indicated Friday that I would like to see this report made public. I indicated to members of the House that I would send that request to the Board of Governors of the Brandon University; that has been done. If something does not happen within the next few days, I will consider further action.

**MR. G. FILMON:** Madam Speaker, is the Premier indicating that he has sent a request in writing to the Board of Brandon University to make it public?

**HON. H. PAWLEY:** That is precisely what I said.

### Canadian Union of Public Employees - withdrawal of services

**MADAM SPEAKER:** The Honourable Member for Charleswood.

**MR. J. ERNST:** Thank you, Madam Speaker.

Through you to the Minister of Labour, has the Minister had any discussions with the City of Winnipeg about the possible withdrawal of services by the Canadian Union of Public Employees?

**MADAM SPEAKER:** The Honourable Minister of Labour.

**HON. A. MACKLING:** No, Madam Speaker.

**MR. J. ERNST:** Does the Minister intend to talk to the City of Winnipeg with respect to the possible withdrawal of services by the Canadian Union of Public Employees?

**HON. A. MACKLING:** The short answer to that question, Madam Speaker, is no, but I'm sure the honourable member wouldn't be satisfied with just that brief an answer.

The role of the Minister of Labour is not to intervene in the bargaining or even in the areas where parties are at dispute . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please, order please.

**HON. A. MACKLING:** . . . is not to intervene, Madam Speaker, unless or until one of the parties or both of the parties have indicated their interest in having the Department of Labour give assistance to them. We hold ourselves out to assist any party involved in a labour relations dispute at any time.

**MR. J. ERNST:** Madam Speaker, although the question is somewhat hypothetical, I think it is sufficiently important that it be asked. In the event of a withdrawal of service, particularly those of essential service areas, will the Minister then act in terms of either legislating people back to work or other activity?

**MADAM SPEAKER:** That question, as the member indicated, is quite hypothetical, not sort of hypothetical.

**MR. G. MERCIER:** Madam Speaker, on a point of order.

**MADAM SPEAKER:** The Honourable Opposition House Leader.

**MR. G. MERCIER:** It has been a long-time tradition and practice of this House to ask questions of the government relating to their contingency plans in the event of floods, strikes, company walkouts, etc., and this question is in order.

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** Madam Speaker, this House is made up of many long-time traditions and practices, and I'm certain you will recall, as no doubt members opposite, including the Opposition House Leader, that when discussing matters such as strikes, it has generally been considered that those questions are hypothetical and out of order until a strike has actually taken place. Even the member . . .

**MR. G. FILMON:** You guys asked it all the time when you were in Opposition.

**HON. J. COWAN:** The Leader of . . .

**MADAM SPEAKER:** Order please, order please. Could we please hear the advice of the Honourable Government House Leader?

**HON. J. COWAN:** The present and current Leader of the Opposition indicates from his seat that we ask questions all the time regarding strikes. I'm certain if he were to go back and review Hansard as to when those questions were asked and the responses, he will find that from time to time the responses indeed were that the questions were hypothetical and out of order. Even the member who posed the question, in structuring his preamble, said to you, and I heard him distinctly, "Madam Speaker, this question may be somewhat hypothetical."

Well, indeed, if it is somewhat hypothetical then it is at least somewhat out of order. For that reason we on this side would not be opposed to the member rephrasing the question, so in his mind even it is not hypothetical, and he can be comfortable with the fact that he is operating within the general practices of this House.

**MADAM SPEAKER:** The Honourable Opposition House Leader.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please. I would like to now hear the advice again of the Honourable Opposition House Leader.

**MR. G. MERCIER:** Thank you, Madam Speaker.

Madam Speaker, it is absolutely ridiculous to suggest in this House that members of the Opposition should wait until a strike is called before we can ask members of the government about their contingency plans. Surely, with a strike looming on the horizon, it is the duty and responsibility of members of the Opposition to ask questions about the contingency plans of the government with respect to a strike. I, therefore, suggest the question is in order.

**MADAM SPEAKER:** My understanding of the question from the Honourable Member for Charleswood was that it was phrased in a quite hypothetical way, and that it said, if, if, if. On the other hand, if the honourable member would like to ask a question of a Minister of the government as to whether or not they have contingency plans, that's quite a different matter. The way he phrased his question was certainly hypothetical.  
The Honourable Member for Charleswood.

**MR. J. ERNST:** Thank you, Madam Speaker.  
Taking your advice then, does the Minister have any contingency plans with respect to the possible withdrawal of service?

**MADAM SPEAKER:** The Honourable Minister of Labour.

**HON. A. MACKLING:** Sorry, Madam Speaker, I believe I know the nature of the honourable member's question, but would he put it precisely for me, please?

**MR. J. ERNST:** Does the Minister, Madam Speaker, have any contingency plans respecting the potential withdrawal of service by the Canadian Union of Public Employees from the City of Winnipeg?

**HON. A. MACKLING:** Madam Speaker, I think it is unfair to the parties who are involved in industrial disputes that questions should be put in this forum to ask, what if resolution of that dispute does not occur. I think it does a disservice to the collective bargaining process when questions are put here during the course of collective bargaining. I don't think that's fair to the parties, and I don't think that it helps in those parties trying to reach resolution to their disputes that other parties intervene or signal that they are going to intervene. I think that's a mistake, and I think the honourable member should not pursue those questions.

**MR. J. ERNST:** Madam Speaker, on a point of order, I don't think, first of all, that the Minister should be imputing motives to myself with respect to asking of these questions. Contingency plans are a concern. Contingency plans are a necessity in this day and age when we deal with these kinds of issues.

**MADAM SPEAKER:** Did the honourable member want to ask a question, or was he only rising on a point of order? A disagreement over an answer a Minister gives is not a point of order — (Interjection) — although  
The Honourable Member for Charleswood.

**MR. J. ERNST:** Madam Speaker, I am afraid perhaps I wasn't quite clear enough with respect to the point

of order. The concern I had was, the Minister was imputing motives to myself as to why I should not be asking these questions in this House.

**HON. A. MACKLING:** Madam Speaker, I want to make it quite clear that I wasn't, in my answer, indicating that the Honourable Member for Charleswood was knowingly doing or asking questions which would interfere with the bargaining process. I was indicating to him my concern that line of questioning ought not to be pursued in the House during the course of collective bargaining, because I don't think it provides those parties with the objectivity and the fairness in trying to resolve difficult disputes among themselves when outside influence is brought to bear upon them when they don't invite it.

**MADAM SPEAKER:** The Honourable Member for Pembina on the point of order?

**MR. D. ORCHARD:** No, Madam Speaker, I thought we were in question period.

**MADAM SPEAKER:** I have a point of order on the floor that the Honourable Minister was responding to. I think the Minister was expressing his opinion. I did not see that he was imputing motives. He was giving his interpretation of a situation.

### MTX - audit, Saudi Arabia

**MADAM SPEAKER:** The Honourable Member for Pembina.

**MR. D. ORCHARD:** Thank you, Madam Speaker. My question is for the Minister responsible for the Manitoba Telephone System.

Given that last year at the Public Utility hearings the projected loss for MTX was estimated at \$50,000 and today we find that the loss approaches \$375,000, and given that accounts receivable of some \$8 million are deemed to be in precarious collection position, will the Minister responsible for the Manitoba Telephone System finally ask his colleague, the Minister of Finance, for the Auditor's Department to undertake an independent audit of all activities of MTX in Saudi Arabia which now appear to be hemorrhaging substantial funds from the Manitoba Telephone System?

**MADAM SPEAKER:** The Honourable Minister of Labour.

**HON. A. MACKLING:** Madam Speaker, I think that the Honourable Member for Pembina does a disservice to the MTX in now placing in the House questions which an officer and officers of the MTX have taken as notice. We are before a committee of the House. He has asked questions.

As a matter of fact, I gave the honourable member a copy of a financial statement, the better for him to analyze and be prepared to ask questions. He asked a great many questions in committee this morning. I didn't object to the fact that he could have given us a little notice so that we could have responded in detail to those questions, because he had that report for over

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a week and chose not to ask me the further questions so that I could give that information. Rather, Madam Speaker, he poses questions now, indicating that there is a calamity involved. Madam Speaker . . .

**MADAM SPEAKER:** Order please.

Is the Minister indicating that this committee has not yet reported to the House?

**HON. A. MACKLING:** That's right, Madam Speaker. We haven't completed our examination of the MTS, and the MTX is very much before that committee. The honourable member has asked a number of questions, and I've undertaken to provide that information.

**MR. D. ORCHARD:** Madam Speaker . . .

**MADAM SPEAKER:** One moment please. Even though that committee has not yet reported to the House, I apologize — I thought that was the report we had this morning — the question is in order in that it relates to information before the committee, not proceedings of the committee.

The Honourable Minister of Labour.

**HON. A. MACKLING:** Madam Speaker, as I indicated, the honourable member will receive every cooperation from this Minister and I will ensure that all of the information he has sought, and quite properly so — before the committee — will be provided to him, members of the committee and this House.

But what I indicate, Madam Speaker, as my concern, during the process of getting the information that he seeks, the honourable member uses part of the information and hypothecates a very doubtful scenario of difficulty for MTX or the corporation. The honourable member will be informed during the course of the committee hearing that MTX is projecting an improvement in its operations in Saudi Arabia.

We know, Madam Speaker, that there have been very difficult times for the oil industry internationally and Saudi Arabia's fortunes ride and depend very heavily on the oil industry, so there has been a period of economic maladjustment and this corporation — the MTX, who are involved in Saudi Arabian contracts — has suffered as a result of that and the honourable member is aware of that.

Before the committee completes its hearings, I will be able to put further information before the member and all members of the House.

**MR. D. ORCHARD:** Madam Speaker, a new question to the Minister responsible for the Manitoba Telephone System.

In view of the fact that Manitoba ratepayers, through the Manitoba Telephone System, are now subsidizing telecommunication services in Saudi Arabia to the tune of we don't know how many hundreds of thousands of dollars, would the Minister responsible not deem it prudent to refer the matter to the Provincial Auditor, so that an independent outside review of MTX money-losing activities in Saudi Arabia are fully investigated so that Manitoba ratepayers are protected?

**MADAM SPEAKER:** The honourable member phrased his question as to seek an opinion. Whether the Minister

thinks it's prudent or not is not relevant. Could he please rephrase the last part of his question? We got the preamble fine.

**MR. D. ORCHARD:** Madam Speaker, would it be within this Minister's responsibility to assure Manitoba Telephone ratepayers to an independent inquiry by the Provincial Auditor that the hemorrhaging of funds in MTX will not continue on, and have an investigation by the Provincial Auditor's Office, to assure Manitoba ratepayers that they are not going to continue to lose money and subsidize Saudi Arabians at the same time that this government goes to the Public Utilities Board for four rate increases that Manitobans have to pay?

**HON. A. MACKLING:** Madam Speaker, I reject categorically the highly colourful language that the honourable member uses in the premise he makes that the MTX is hemorrhaging hundreds of thousands of dollars. Madam Speaker, the corporation is involved in investments in expanding technology. We don't say in every case we'll always be 100 percent profitable, but this corporation is going to use its expertise and its technology to assist the taxpayers of Manitoba and a proper accounting will be obtained before the committee and reported to this House.

#### Government buildings, sale of

**MADAM SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNES:** Thank you, Madam Speaker. I direct my question to the Minister of Finance.

The Minister has provided for me a copy of a schedule of former government buildings that have been sold by this government to private shareholders and Manitoba Properties Inc. for the purposes of raising badly-needed money, roughly \$400 million, in part to service the growing deficit of this province and total accumulated debt, Madam Speaker.

My question: Can the Minister indicate when and how the government will buy back from these private shareholders the Concert Hall at a value of \$25.45 million?

**MADAM SPEAKER:** The Honourable Minister of Finance.

**HON. E. KOSTYRA:** The premise to the member's question is that the assets have been put over to private shareholders. As the member knows, from the very detailed explanation and discussion we went through in terms of the review of the Estimates of the Department of Finance which concluded yesterday, that those assets belong to Manitoba Properties Inc., which is wholly owned, in terms of common shareholders, by the Province of Manitoba.

**MR. C. MANNES:** Madam Speaker, it's my understanding that the security offered to preferred shareholders are the buildings themselves. My supplementary question: When and how will the government purchase back the new Earth Sciences Building and the Duff Roblin Building and some 67

other University of Manitoba campus buildings, totalling \$257 million?

**HON. E. KOSTYRA:** Madam Speaker, again I will repeat my answer. Those buildings are part of Manitoba Properties Inc., which is under the control of the Province of Manitoba. The structure of Manitoba Properties is the same, has been the case with respect to other governments in Canada, including the Province of British Columbia. In fact just recently the Province of Saskatchewan, after reviewing Manitoba's experience, has instituted the same form of property management in the public sector in the Province of Saskatchewan.

**MR. C. MANNESS:** A final supplementary, Madam Speaker. The Minister refuses to answer my question. I would ask him finally: Were the senior administration at the University of Manitoba Campus given prior notice of the fact that there was going to be a change in ownership with respect to all the buildings at the campus, and did they receive some consideration in view of that change of ownership?

**HON. E. KOSTYRA:** Madam Speaker, in response to the first question, yes, there were consultations with the University of Manitoba. In regard to the question of consideration, I'm not aware of any considerations — whatever that might mean.

### Disability Insurance - discrimination

**HON. E. KOSTYRA:** In regard to the question that I took as notice yesterday, or the day before yesterday, from the Member for River Heights, I'd like to provide a response to that question she asked me with regard to the long-term disability insurance plan for Manitoba civil servants, particularly dealing with the area of mental health problems.

I should point out for the member's information that the long-term disability plan of the Government of Manitoba is one that is arrived at through collective bargaining with the government employees. Psychotic disorders are presently subject to the same coverage as any other disability under the plan.

The one area that there is some disagreement on is non-catastrophic nervous disorders or neurosis which are subject to a six-month time limit. I'm informed that time limit was originally agreed to by the Canadian Mental Health Association and subsequently they changed their position on it and expressed some concern. The staff of the Civil Service Commission is meeting with that association to see if there can be some changes made to the plan. Once there is some understanding of the position of the CMHA, there will be the usual discussions with the collective bargaining agent.

### Break-ins and burglaries - residential

**MADAM SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Madam Speaker, I have a question for the Attorney-General.

Madam Speaker, could he inform the House, with respect to residential break-ins and burglaries for the year 1985, that the City of Winnipeg ranked fifth highest in the country out of 16 major urban centres?

**MADAM SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Madam Speaker, I'll take that as notice, so that I can provide the member and members of the House with comparative statistics that relate to year over year in Winnipeg and with respect to other major urban centres.

**MR. G. MERCIER:** Madam Speaker, in view of the report from the Canadian Centre for Justice Statistics out of Ottawa that Manitoba did in fact rank fifth highest in the country with respect to this matter, can the Attorney-General indicate to the House what steps he is taking to reduce the number of residential break-ins and burglaries, in view of the fact that we have continually brought to his attention over the past number of years significant increases year over year?

**HON. R. PENNER:** I have already said I'll take the question as notice with respect to a full picture of where we stand statistically.

While it is true that from time to time the Member for St. Norbert has indicated what everybody knows, that is, that crimes in various categories from time to time are on the increase, I could tell him that the day he comes up with the solution to the problem he ought to patent it and make a couple of billion bucks. Nobody has to this date, and the Member for St. Norbert has never been able to offer a solution to the fact that crimes are committed.

In fact, what is known is that there is a fairly close relationship between property crimes, which is the issue that has been raised, and the social conditions that keep a very large number of people in poverty. In fact, under our government, the incidence of poverty and of unemployment has decreased comparatively as a result of the economic activities of this government. I think that, when I produce the statistics, he will note that the incidence of property crimes has in fact on the whole gone down.

**MR. G. MERCIER:** Madam Speaker, I have made suggestions to the Attorney-General over the past number of years, none of which he's accepted, and probably this accounts for the continual increase.

Madam Speaker, perhaps in taking the question as notice, does he consider that the Canadian Centre of Justice Statistics out of Ottawa is incorrect in the statistical information they put out from time to time, because there is a continuing flow of statistics from them? In fact, my impression is that the Attorney-General perhaps was contributing in a small way in terms of a grant to that organization.

**HON. R. PENNER:** Madam Speaker, the nub of the question is, where have we been and where are we going? For example, was it the case, as I suspect it was, that when the Member for St. Norbert was the Attorney-General, Winnipeg ranked first and now we're fifth? Is it the case that in fact, with respect to property

crimes, the increase in property crimes in Winnipeg is less than in most other major centres? These are questions which I want to be able to provide answers to the House in a full context. It doesn't tell me very much to say that we're fifth and not tenth. It tells me that we're not first in any event, but I want to know in fact what the trends are, rather than where we stand in relationship to other cities.

No two cities in Canada are exactly the same with respect to the incidence of various crimes. Vancouver and Montreal rank the highest with respect to drug crimes by far, but there are particular reasons for that. Some cities — (Interjection) — well, I've been asked the question. I would like to be able to answer it, unless the members opposite don't want the information. Some cities, for example, such as Regina, are higher with respect to the incidence of violent crimes than others. There may be historical reasons for it. Let's look into the whole picture.

**MADAM SPEAKER:** Order please, order please. May I remind Honourable Ministers that answers should be brief.

The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Madam Speaker, is the Attorney-General telling the people of the City of Winnipeg that they have to accept being the fifth-highest city in this country with the fifth-highest level of residential break-ins and burglaries?

**HON. R. PENNER:** The people of the City of Winnipeg might ask the civic administration in the City of Winnipeg why the administrative costs of the City of Winnipeg Police have increased so much, compared to the increase in the number of line policemen on the streets. They might ask that question. They might ask the proper authority, namely, the City of Winnipeg, which runs its police force on its own, why the City of Winnipeg Police have not been able to cope with that problem any better than they have rather than asking the Attorney-General.

## AIDS

**MADAM SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Thank you, Madam Speaker. Yesterday, I took as notice a question from the Honourable Member for Pembina. I'd like to answer it today.

Before that, I'd like to elaborate a bit on one of the answers I gave him yesterday. He wanted to know if the AIDS screening test was the same as the one used by the Red Cross for the donors. I said that, basically it was the same. The basic test is the same. It's used by Cadham Lab and the Red Cross. It's the Eliza test. Now if the results are positive, then the Cadham uses the IFA test and the Red Cross uses a more complex western block test, and I'm told that those are just as effective.

Now as far as using the PHIN system in dealing with the AIDS in this province and those carrying AIDS antibodies, I would like to inform the members of this House that, in those cases, the AIDS cases are reported

by name. That is in accordance with an agreement that the Commission has reached with the community mostly affected by it. Those infected with AIDS virus are reported by code again with an agreement that we have with the community that is mostly affected.

## The Pas - handicapped housing facility

**MADAM SPEAKER:** The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker, my question is to the Minister of Housing.

A 15-bed handicapped housing facility combined with 15 personal care beds has been promised for The Pas over the past three years with an appropriate home care budget in place during that time. Can the Minister confirm that this project will indeed begin construction in this year?

**MADAM SPEAKER:** The Honourable Minister of Housing.

**HON. M. HEMPHILL:** Madam Speaker, I'll take that question as notice.

**MRS. S. CARSTAIRS:** Would the Minister also take as notice that, in light of the fact that the 200,000 over tender was rejected last year by MHRC and that the lowest tender this year is also 80,000 over, will this not prevent the building of the centre?

**HON. M. HEMPHILL:** Madam Speaker, it's my understanding that we're in the process of looking at the increased costs to find out exactly where the overage is. After they have done that, they will be making a recommendation.

**MADAM SPEAKER:** The time for Oral Questions has expired.

## INTRODUCTION OF GUESTS (Cont'd.)

**MADAM SPEAKER:** The Honourable Member for St. Vital.

**MR. J. WALDING:** Madam Speaker, on a point of order, I bring to your attention that there is in the loge to your right a former member of this House. It has been the traditional practice of the House to extend the courtesy of a recognition to former members attending.

**MADAM SPEAKER:** The honourable member does not have a point of order. He just happens to be a little faster on his feet than I.

I would certainly like to welcome, on behalf of all the members, the former Member for Kildonan who is in the loge to my right.

## COMMITTEE CHANGES

**MADAM SPEAKER:** The Honourable Member for Ellice.

**MR. H. SMITH:** Thank you.

I'd like to announce changes in the Public Utilities Committee: the Member for Churchill substituting for the Member for Kildonan; the Member for Rossmere substituting for the Member for St. Johns.

## ORDERS OF THE DAY HOUSE BUSINESS

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** Madam Speaker, if I can check very quickly with the Opposition House Leader, if it would be agreed to have the next Standing Committee continue to consider the report of MTS on Thursday, we can agree to that at this time.

**MADAM SPEAKER:** The Honourable Opposition House Leader.

**MR. G. MERCIER:** Madam Speaker, we would be prepared to go ahead with that committee on Thursday if the House Leader can assure us that MTS will have the answers to the questions that have been asked.

**HON. J. COWAN:** Not being certain of exactly what questions are outstanding and how long it will take to prepare them, I have received some assurance from the Minister responsible for Manitoba Telephone System that every effort will be made to have as many of the answers available as is possible.

**MR. G. MERCIER:** Madam Speaker, perhaps on that basis then, the committee could proceed on the understanding that if any of the answers are not available that the committee would adjourn until some future date when they will be available.

**HON. J. COWAN:** I think perhaps what we should do in the interests of expediting the business of the House overall and ensuring that full and complete information is available, as required, is to have the meeting of the committee, to attempt to answer all the questions that have been posed and will be posed. Of course, in the past, as has been the case from time to time, if there are questions that flow during the meeting that can't be answered at that particular time, there is always the option of adjourning the meeting and continuing at a later date, completing the allotted time for the meeting that day, and continuing at a later date, or accepting those questions as questions that will receive answers in another form, either in the House or in written form, after the committee has considered the report.

Those options are all available to us. I know members opposite, even the Member for Pembina, wants to expedite the business of the House as much as possible, and we'll attempt to cooperate in doing that. — (Interjection) — The Member for Lakeside says that they did that with Flyer and they're still waiting for answers — (Interjection) — Hydro. And they're still waiting for answers. I think he should realize that those answers are provided in due course throughout this Session, and beyond, as the answers become available. There is certainly no intent on this side of the House

not to provide full information. I hope he is not suggesting that is the case.

Given that correction and the assurance, we shall have the meeting proceed and see what happens as a result of the questions posed at that time.

While I'm on my feet, and hoping that it is not as difficult to get us into the next matter of business, I move, seconded by the Opposition House Leader, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee of Supply to consider an amount to be granted to Her Majesty.

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Burrows in the Chair for Civil Service; and the Honourable Member for Kildonan in the Chair for the Department of Business Development and Tourism.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY — BUSINESS DEVELOPMENT AND TOURISM

**MR. CHAIRMAN, M. Dolin:** Committee, come to order. We are on Page 24, Resolution No. 23, Item 2, Business Development — the Member for Portage la Prairie.

**MR. E. CONNERY:** The Minister was going to supply me with some more information. I got some from her; it is somewhat incomplete. There was one company

**HON. M. HEMPHILL:** I have Daerwood.

**MR. E. CONNERY:** You've got Daerwood?

**HON. M. HEMPHILL:** I've got Daerwood here, so we'll send Daerwood down. Were there any others that weren't complete?

**MR. E. CONNERY:** I think most of them were replied to.

**HON. M. HEMPHILL:** We lumped some of them together.

**MR. E. CONNERY:** I'd like the Minister to explain the Daerwood one, how we could be into them for \$72,000 in total when there really was no program for this sort of thing. It's not through the Jobs Fund; it's not Core Area. Under what grant form did they get this money?

**HON. M. HEMPHILL:** Mr. Chairman, that money was received under the Manitoba Interest Rate Relief Program.

**MR. E. CONNERY:** What was the maximum for the Interest Rate Relief Program?

**HON. M. HEMPHILL:** It's a \$12,000 grant, \$6,000 repayable and \$6,000 forgivable.

**MR. E. CONNERY:** What was it again, please? I didn't hear.



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**HON. M. HEMPHILL:** \$6,000 repayable and \$6,000 forgivable.

**MR. E. CONNERY:** Under what program?

**HON. M. HEMPHILL:** Manitoba Interest Rate Relief Program.

**MR. E. CONNERY:** I thought the Interest Rate Relief Program was a maximum of \$6,000.00. That's the largest loss, I think, that you took, isn't it?

**HON. M. HEMPHILL:** Mr. Chairman, that was for two years.

**MR. E. CONNERY:** Were people allowed to participate in more than one year?

**HON. M. HEMPHILL:** Yes, Mr. Chairman. About 60 percent of the companies went for two years.

**MR. E. CONNERY:** But there's nobody that went beyond the 6,000 in them?

**HON. M. HEMPHILL:** That's right.

**MR. E. CONNERY:** Except Daerwood went twice.

**MR. CHAIRMAN:** The Minister is indicating in the affirmative.

**HON. M. HEMPHILL:** Sixty percent of them went twice.

**MR. E. CONNERY:** Yes, Daerwood went twice for 6,000 . . .

**HON. M. HEMPHILL:** Right.

**MR. E. CONNERY:** . . . where everybody else had a maximum of 6,000 if they went twice, or are they in other years?

**HON. M. HEMPHILL:** They could all go up to the 12,000 if they qualified in the second year.

**MR. E. CONNERY:** Where does the other 60,000 come in this year? I'm not satisfied with that.

**HON. M. HEMPHILL:** Mr. Chairman, the \$60,000 is described as a one year only grant based on loan, based on crisis support, and the loan is fully secured and subject to a monthly repayment schedule.

**MR. E. CONNERY:** Would this be through Cabinet decision then because there is not a program to provide that sort of money?

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. E. CONNERY:** It didn't come out of the Jobs Fund; it came out of Business Development money?

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. E. CONNERY:** On Gadiant in the Design Assistance — and then when we can discuss the Design Assistance

Program after, we haven't discussed it — the Gadiant Manufacturing, the Design Assistance Program, it was my understanding that there was a maximum of \$1,000 government assistance, and one firm received \$5,555.00.

**HON. M. HEMPHILL:** Mr. Chairman, it's my understanding that the grants are normally in the area of \$1,000, but that is a guideline not a maximum limit.

**MR. E. CONNERY:** Did that go through Cabinet?

**HON. M. HEMPHILL:** No, Mr. Chairman.

**MR. E. CONNERY:** Is the department allowed to break its own guidelines?

**HON. M. HEMPHILL:** It's allowed to use discretion within guidelines.

**MR. E. CONNERY:** What would be the maximum guidelines in that Design Assistance Program then, if you were working within the guidelines, that they could go to without going to Cabinet?

**HON. M. HEMPHILL:** Mr. Chairman, staff informs me that at the time it was being run under IT and T; it was just before we took it over. We'll have to get the information from them about the maximum guideline levels.

**MR. E. CONNERY:** The Design Institute, while we're on it, are they still having the Premier's Award dinner?

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. E. CONNERY:** That will not be this year, though. I gather there was one last year and they are held every second year?

**HON. M. HEMPHILL:** Every second year, Mr. Chairman.

**MR. E. CONNERY:** There was discussion last year on the cost of the Award's night vis-a-vis the total cost of the program.

**HON. M. HEMPHILL:** Mr. Chairman, we are looking at the issue of the cost of the awards and the dinner. It has been under review and we have been talking with the industry. We have some recommendations coming in on restructuring the program and getting more involvement from the private industry, so there will probably be some changes made.

**MR. E. CONNERY:** One of the questions that we have had in years back, and I think is still very evident with the business community — while it doesn't come under this one — while the Minister has sat here, if I'm ruled out of order, then we'll talk to you when you've got no staff.

The liquor advertising, which to me I think is ridiculous, when we allow American stations to come in and broadcast from 7:00 to 10:00 and Canadian stations can't, I think there is an inequity here that our local business people are being deprived of revenue.

I would hope the Minister would take that message to the people responsible in caucus to try to take another look at that. If we're going to allow American stations in, it doesn't make sense that Canadian can't broadcast.

**HON. M. HEMPHILL:** Message received.

**MR. CHAIRMAN:** Message received is the response.

**MR. E. CONNERY:** Thank you for allowing that observation, Mr. Chairman. You're in a better mood than I am today.

**HON. M. HEMPHILL:** He doesn't have gout today, that's right.

**MR. E. CONNERY:** The advance factory in the Advance Office Space Program, it was mentioned but we never really did discuss it — if it's still in place, and what is happening in that sector?

**HON. M. HEMPHILL:** Mr. Chairman, it's still in place, but it's under IT and T.

**MR. E. CONNERY:** Okay, I'll accept that. It was discussed in Business Development last year, but I'll accept that.

Also, what have we got in programs to reduce red tape and paperwork? What is happening in this section?

**HON. M. HEMPHILL:** Mr. Chairman, I think the major activity that was undertaken by my colleague was to set up a task force whose job it was to review the matter of the amount of regulation and paperwork that business, and particularly small business, had to deal with.

They have had a long series of meetings, I can't quite remember the number, but a lot of meetings out in the community, it went right throughout the province, and received very good information and feedback and indication of concerns and problems from the business community.

They are in the process now of completing their report. I understand it's almost at the completed stage, at which time I expect to receive it and give it consideration.

**MR. E. CONNERY:** Yes, because in the CFIB Report, only Quebec showed the business section more concerned than Manitoba. Manitoba rated second in their concern for government red tape and paperwork. So this really is a high concern of the business community.

**HON. M. HEMPHILL:** It's a high concern of ours, too, Mr. Chairman. I think one of the things we want to do is not only look at the amount; we want to get rid of unnecessary red tape, unnecessary forms and requirements, to fill out paper that is not productive or isn't still meeting a purpose, looking at regulations to make sure that they're not dead regulations, that they still have a purpose and should be applying, and also to look to see where it's coming from, because some of the red tape and bureaucracy and regulation comes from the Provincial Government and some may come from other levels or other governments.

We're looking at the whole thing. What is the total pressure on the business community of regulation and red tape and what impact does it have? So that when the report comes in, it may not deal just narrowly with the Provincial Government but the total pressure on them.

**MR. E. CONNERY:** I would hope the review will soon be in place because I remember it being sometime long before the election that the former Minister was going around the country, and it kind of makes you feel that it was more of a vote-getting thing than a fact-finding mission if we don't see a report reasonably soon.

**HON. M. HEMPHILL:** I agree with the point made, but it was for very substantive reasons and the committee has been working very hard. They met with a lot of people and gathered a lot of information and have done a reasonable amount of research. It's taken them a while to both compile that and put it in written document form. So they have been working very hard all this time and are just completing it, because I've been in close touch with the chairman of the task force, and they are very close to making recommendations.

**MR. CHAIRMAN:** The Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Chairman, the Small Business Program that was announced during the election campaign, there was \$10 million in the budget which was held off until the program was available. I understand my colleague had asked some questions about this yesterday, but I have checked with him and I don't think he asked this. Does the dependence on whether that program goes ahead or not rely on the fact that the government will be able to sell small business bonds, as the First Minister announced during the election campaign?

**HON. M. HEMPHILL:** Mr. Chairman, no, it isn't dependent. It's one of the options that we're presently investigating, but it isn't dependent upon that for the program to go.

**MR. F. JOHNSTON:** In other words, the First Minister, during the campaign, misled the people of Manitoba because he said that he was going to have a program for small business based on the fact that he would sell bonds, sell bonds — I'll repeat it a third time — sell bonds to make sure that he would have a program to assist small business development. So in other words, the program can go ahead just by the government going out and borrowing the money.

**HON. M. HEMPHILL:** Mr. Chairman, I think what I indicated is that we're presently looking at a variety of options, which includes all of the options that the member suggested, and doesn't rule out any.

**MR. F. JOHNSTON:** But your statement is that the program will go ahead, whether there are small business bonds sold or not.

**HON. M. HEMPHILL:** I guess I was trying to indicate to you that the program was going ahead, and that

we are looking at options that include both of the ones that the Member for Sturgeon Creek mentioned.

**MR. F. JOHNSTON:** Mr. Chairman, in other words, you're going to sell bonds and, if you don't sell enough bonds, you will then have the Minister of Finance borrow the balance of the money. Under that circumstance, what interest rate would the people receive under the bond that buy the bonds, versus the interest rate that the province would pay for the money?

**HON. M. HEMPHILL:** Well, Mr. Chairman, I suppose those are part of the details that will be announced when we announce the whole program, but clearly the rate would have to be a competitive rate.

**MR. F. JOHNSTON:** Well, Mr. Chairman, in other words, the department has decided to go along with a program, whether the First Minister's statement, advertising and press releases are correct or not.

**HON. M. HEMPHILL:** Mr. Chairman, the department would not go ahead with a program that didn't have the endorsement and support of both the Premier of the province and my Cabinet colleagues. When we have completed examination of the options and the elements that are going to be part of the program and are comfortable and satisfied that that is going to be a good program, then we will . . .

**MR. F. JOHNSTON:** I won't dwell on it, Mr. Chairman. There's quite a big difference between selling bonds and borrowing the money, as far as the program is concerned.

We'll see whether the departments back up the First Minister's statement during elections or not.

**HON. M. HEMPHILL:** I just feel I want to make one final point, Mr. Chairman, and that is there should be no assumptions on what is or isn't going to be part of this program until we announce what it is going to be.

**MR. F. JOHNSTON:** On your management counselling in your Small Business Development, are there two groups working or one group working in management counselling?

**HON. M. HEMPHILL:** Mr. Chairman, essentially it's one group, the Business Development Centre.

**MR. F. JOHNSTON:** Did the Minister say working out of the Business Development Centre?

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. F. JOHNSTON:** On Lagimodiere Boulevard?

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. F. JOHNSTON:** What is the group that now works out of 155 Carlton?

**HON. M. HEMPHILL:** Mr. Chairman, they provide the specific sector advice to industries, to specific industries.

**MR. F. JOHNSTON:** The Business Development group at Lagimodiere Boulevard, how many people are involved in that?

**HON. M. HEMPHILL:** Ten, Mr. Chairman, including administration.

**MR. F. JOHNSTON:** If the ones on Carlton Street are on sector development, what business development does this group do, this 10?

**HON. M. HEMPHILL:** Mr. Chairman, they assist firms in identifying and evaluating new opportunities. They give provision of assistance for small manufacturers who are in a financially critical position. They assist businesses with feasibility studies and they assist businesses in obtaining the required financing.

**MR. F. JOHNSTON:** How many are at Carlton Street?

**HON. M. HEMPHILL:** Six, Mr. Chairman.

**MR. F. JOHNSTON:** What sectors do you break the six development officers . . .

**HON. M. HEMPHILL:** Mr. Chairman, machinery, consumer products, plastics, food, transportation.

**MR. F. JOHNSTON:** Nothing in electronics?

**HON. M. HEMPHILL:** That's picked up by IT and T.

**MR. F. JOHNSTON:** So they pick up the small business as well as the large business as far as electronics are concerned?

**HON. M. HEMPHILL:** That's right.

**MR. F. JOHNSTON:** That's fine.

**MR. CHAIRMAN:** The Member for Portage.

**MR. E. CONNERY:** We didn't discuss the Expo situation in this. I wanted to keep it to the very end, because it will also flow into Tourism because they're tied in together. Well I guess there is no tourism sector, because it's just the business area that's there. Is it IT and T or Business Development or both that's looking after our little wee cubbyhole?

**HON. M. HEMPHILL:** IT and T.

**MR. E. CONNERY:** So it has nothing to do with business. You don't plan to have any staff or anybody going down there, any Business Development staff going to Expo with the booth?

**HON. M. HEMPHILL:** Mr. Chairman, we did have some staff seconded to assist the staff of IT and T for a three-week schedule.

**MR. E. CONNERY:** What level of staff would this be at? What are we talking about in here?

**HON. M. HEMPHILL:** At the consultant level, Mr. Chairman.



**MR. E. CONNERY:** So you don't have the office people going down, especially the people who would be dealing with customers who would be looking to locate or to purchase Manitoba produce.

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. E. CONNERY:** Okay well, if it comes under IT and T, then I guess we'll leave it in this sector and talk about it in the tourist sector.

**MR. F. JOHNSTON:** The small business promotion or information — when we were in the IT and T Estimates, they listed a number of shows that the provincial booth was used in. He listed some shows that I know the small business group were in as well. Is it the responsibility of this department to man the booths when they go into the shows for IT and T or for yourselves? Do they suggest which shows you go into, or is it done by this department because I know the booth is kept in this department?

**HON. M. HEMPHILL:** Mr. Chairman, we promoted Prospect '86 and Miconex. Our department does not get involved in the trade shows.

**MR. F. JOHNSTON:** You mean your department didn't have the booth at Centrex last year or the Chamber of Commerce Show?

**MR. CHAIRMAN:** Excuse me, I don't think the Minister is finished.

**HON. M. HEMPHILL:** I'm sorry, I'm listening now.

**MR. F. JOHNSTON:** This department didn't have the booth at Centrex or didn't have the booth at the Chamber of Commerce Product Show?

**HON. M. HEMPHILL:** No, Mr. Chairman.

**MR. F. JOHNSTON:** Well I'd ask the Minister why this department wouldn't be involved in that, because the main thrust of those shows is for small business.

**HON. M. HEMPHILL:** Mr. Chairman, we do take part. We take part in Miconex, in the Chamber of Commerce Business Show, in the Small Business Week in October, the business fairs and the Career Symposium.

**MR. F. JOHNSTON:** Thank you.

**MR. CHAIRMAN:** Any further questions?

2.(a)(1)—pass; 2.(a)(2)—pass.

Resolution 23: Resolved that there be granted to Her Majesty a sum not exceeding \$3,312,100 for Business Development and Tourism, Business Development, for the fiscal year ending the 31st day of March, 1987—pass.

We are now on Item 3., Tourism, 3.(a) Travel Manitoba — the Member for Portage.

**MR. E. CONNERY:** Is the Minister going to have opening remarks on Tourism or not?

**HON. M. HEMPHILL:** Just a very few opening remarks, as with the other department, Mr. Chairman.

I suppose that one of the important things for us to recognize when we're looking at the tourist industry — and it's a job that we all have to do — is making sure people understand how important and what a great potential it has as an economic tool for the Province of Manitoba.

In Manitoba, we have a great base on which to build the tourist industry. In fact, we have all of the elements that we need. We have some of the greatest natural resources in the world. We've got some of the best fishing, the best lakes. We've got the Arctic Tundra; we've got the Precambrian Shield; we've got desert land. We have some of the most beautiful and recognized natural resources.

We also have, I think, top-notch quality cultural and arts activities throughout the province, and they are of a nature that will stand on any world stage. They vary from the rural festivals to the theatre and the ballet and the Folklorama, all of which represent parts of Manitoba.

We also have some of the best accommodation in the country. Manitoba has received a Michelin rating which is a three-star rating, which is one of the few provinces, I think, west of Toronto to receive this. It is a statement to people who want to travel here that our accommodation is first-class, world-class, and at bargain prices. We offer several thousand first-class or good-class accommodations just within walking distance of the Convention Centre. So we've got all of the elements.

I think we're expecting a boom tourist year, in spite of the fact that the foreign tourists were down in May for reasons that we recognize. We are still projecting a \$25 million increase in tourism for the year, and that amount of money is important. We're aiming for a \$2 billion industry by the year — \$1 billion industry by the year 2000. That was a little bit optimistic, was it? I just added a billion there. What's another billion? Why don't we go for it? Sure. So we're projecting a very good rate, a very good increase in tourists this year and in coming years.

What we've started to do is target more. We're not marketing all over the place. We're identifying our primary target markets, and we're going after them. We're increasing our markets anywhere from 15 to 40 percent in those areas where we're targeting advertising.

So I think we're on the right track. We've got a cooperative program with the tourist industry. I think one of the most cooperative efforts between the field and the industry and the government is in the tourist industry where everybody that's involved, the tourism industry people, the hotel people, the restaurant people, all of the people in the service sector, are working very closely with government to promote Manitoba.

If we could just make sure that every Manitoban realizes that they too have a responsibility to welcome tourists, to make them feel welcome and that they are each ambassadors, then I'm sure that we're going to meet our goal.

**MR. E. CONNERY:** I echo some of the comments of the Minister in the sense that we do have a wonderful

province and that we do have a lot of things to offer people, but I don't think that we have been achieving the results that we should be.

The statistics that I have here, and it's from the Manitoba Department of Business and Development, when we look at the visitors to Manitoba, we see that in all counts, looking back to 1981, so from 1981 to 1984, Canadian visitors are down, American visitors are down, foreign visitors are down, and so naturally total visitors are down. The dollar value is up naturally because of inflation, and the cost of these people coming to Manitoba is more expensive.

But I don't think that we've put the money out to attract the tourists as we see other provinces have. We see the Province of Ontario and Saskatchewan putting out large sums of money to attract the tourist industry and they're achieving the success. Manitoba is not putting out the dollars and naturally is not achieving success. I think in the industry, NDP governments are bad tourist years.

The Minister indicated that they are going to have a \$25 million increase. What is the projection for your total dollar spent by travellers in Manitoba this year?

**HON. M. HEMPHILL:** \$627 million.

**MR. E. CONNERY:** Then I would have to ask the Minister, if it's 627 million and we're having a \$25 million increase, we were 621.5 in 1984?

**HON. M. HEMPHILL:** 616 we have.

**MR. E. CONNERY:** That's not the figures that have come out of Hansard where it says 621, and that's where I got those figures — 1984.

**HON. M. HEMPHILL:** I'm not sure about the Hansard figures, perhaps we can check, but I think the figures that we have here are accurate — 616 going up to 627.

**MR. E. CONNERY:** So then therefore, '85 . . .

**HON. M. HEMPHILL:** It's 627 for 1985, I'm sorry, and 668 for this year.

**MR. E. CONNERY:** 627 was last year's figure?

**HON. M. HEMPHILL:** Yes.

**MR. E. CONNERY:** I am somewhat confused. Now maybe we could start all over again.

**MR. CHAIRMAN:** Perhaps the Minister could repeat those figures because they don't seem to add up.

**HON. M. HEMPHILL:** I'm advised that the 25 million was based on the 1.7 percent increase that we have right now on that projection and that we're projecting overall an increase of 2 percent.

**MR. E. CONNERY:** It went up \$5.5 million. Is the 627 million for 1985 accurate?

**HON. M. HEMPHILL:** Yes.

**MR. E. CONNERY:** So we went up \$5.5 million in 1985 and we're looking at almost going up five times what 1985's increase was?

**HON. M. HEMPHILL:** Mr. Chairman, we're expecting to go to about 668.

**MR. E. CONNERY:** Those figures still don't round out. You're projecting an increase of \$41 million and before it was 25.

**HON. M. HEMPHILL:** Was there a question while I was coughing?

**MR. CHAIRMAN:** The question was the difference between 41, between 627 in 1985 and 668 projected for 1986 and the 25 million figure you mentioned initially. I think that's the question, what's the differentiation between those two things.

**HON. M. HEMPHILL:** It's my understanding that the one is based on the actual increases that we're experiencing now at 1.7 percent and the other one is based on our projections, which is greater.

**MR. E. CONNERY:** So you have lowered your anticipated increase for this year?

**HON. M. HEMPHILL:** Mr. Chairman, the 25 million is based on the current figures and we're into the big tourism months right now.

**MR. E. CONNERY:** The Speaker advised us that you can't hear with your mouth open, and usually your mouth is open when you're coughing.

**A MEMBER:** The Speaker also apologized for that.

**HON. M. HEMPHILL:** Can I just recess for one minute?

**MR. CHAIRMAN:** We'll take a one minute recess.

(Recess)

**MR. CHAIRMAN:** We'll resume.

**HON. M. HEMPHILL:** A politician's nightmare — you can't speak without coughing to death.

**MR. E. CONNERY:** Can we go through the various boxes on the chart and the Minister can explain what we are doing in each one? I would appreciate if there was something that isn't here, some other program that you are doing that doesn't show on the chart that would be brought in at some point in the chart analysis.

**HON. M. HEMPHILL:** Are you talking about the annual report chart?

**MR. E. CONNERY:** This is the chart for Travel Manitoba. It's in the supplements.

Before we start, just so we know where we are, is there any Jobs Fund money allocated under Tourism?

**HON. M. HEMPHILL:** No, Mr. Chairman.

**MR. E. CONNERY:** None at all, okay. Then if we could just go through the charts and explain the various sectors and what's happening up to date, like starting with tourism, marketing, go down that sector, and just take them one at a time, and we can discuss what's happening new is developing. There are some new programs in marketing and we can discuss the details.

**HON. M. HEMPHILL:** Yes, Mr. Chairman, the marketing program under Travel Manitoba, its purpose is to help increase Manitoba's tourism expenditures, to increase out-of-province visitor entries and spending in Manitoba at a rate that maintains Manitoba's current share of in-province, Canadian, U.S. and overseas travel markets.

Priority emphasis is on an increase in Manitoba's share of longer duration trips. What we're aiming for is getting the people who are coming to stay more than the one day. We're placing special attention on the enhancement of provincial parks, destination areas, off-season products, cultural content and specialty markets. We have the following activities under this area. We've got the program development activity, and that's the annual marketing plan, evaluation of marketing programs, policy recommendations and coordination and liaison with the private sector into marketing plans.

The advertising activity includes the preparation and implementation of the advertising plan. It includes mass market generic advertising, specialty advertising in support of promotions to travel trade meetings and conventions, and we have an industry co-op advertising program designed to lever funds from the private sector.

We have the promotions activity which includes organization and attendance with exhibits and sales persons at vacation and sport shows, mall promotions, fair and festival promotions.

We have group travel activity.

**MR. E. CONNERY:** Pardon me. Before we go into — if there are any questions, when you're finished, go on . . .

**HON. M. HEMPHILL:** Okay. I'm finishing up marketing.

**MR. E. CONNERY:** Really, the marketing and advertising group are almost synonymous, aren't they being the same?

**HON. M. HEMPHILL:** With a little different focus.

**MR. E. CONNERY:** Can you give us, when you go into each one, the amount of money that is being spent on each sector if you have it broken out?

**HON. M. HEMPHILL:** Mr. Chairman, Program Development is \$36,000; Advertising is \$920,000; the Co-op Industry Program is \$118,000; Group Travel is \$191,000; Promotions \$210,000; Publications \$489,000, for a total of \$1,967,000.00. The staff has 1 director, 3 managers and 13 professional and technical people in this area.

**MR. E. CONNERY:** What areas of, I guess, foreign travellers are you targeting for? Have you made any

changes in the areas that you're looking at? It used to be North Dakota, South Dakota, Minnesota and maybe Wisconsin.

**HON. M. HEMPHILL:** Yes, those are still our primary targets and we're finding, as I said, we're getting very significant increase where we target. We're up 15 percent in North Dakota and 41 percent in Minneapolis.

**MR. E. CONNERY:** Over last year?

**HON. M. HEMPHILL:** Over last year.

**MR. E. CONNERY:** Where does the foreign traveller decline come from? Is that off North America? Are you calling foreign travellers outside of North America?

**HON. HEMPHILL:** That was '85 statistics over the '84, the last year we had statistics.

**MR. E. CONNERY:** Of course this is '86.

**HON. M. HEMPHILL:** Yes.

Mr. Chairman, what we're projecting right now is a 4 percent to 5 percent increase from the U.S. market; Canada is about 3.2 percent, overseas 5 percent; and Manitoba 3 percent. I can give the individual figures for some of the areas. For instance, Minnesota is 5.7 percent; North Dakota is 6.5 percent; Northwest Ontario 5.5 percent.

**MR. CHAIRMAN:** The Member for Sturgeon Creek.

**HON. M. HEMPHILL:** Mr. Chairman, I need to correct that. I was reading the percentage from the wrong line. I was reading percent of total growth. It's 5 percent for Minnesota, North Dakota, Northwest Ontario; 3 percent Manitoba; and 4 percent U.S. secondary markets.

**MR. F. JOHNSTON:** What type of media advertising is being used in the United States, in the states just to the south of us, including Minneapolis? Are we on television, radio, which magazines, which papers, or not necessarily the names of the papers, the percentage of advertising that we're doing, television radio and print?

**HON. M. HEMPHILL:** Mr. Chairman, I don't believe we have the percentages right now, but I can give him the overall and some of the specifics. We're conducting a multi-media campaign that utilizes radio, t.v., billboards and print in the following areas, and I think also uses co-op advertising. In Minnesota we have radio and the lure insert. North Dakota has TV, radio, lure insert. Another example is in Manitoba. We have TV, radio, print, lure insert in the magazine. Saskatchewan is just print and magazine so it varies from area to area.

**MR. F. JOHNSTON:** I wonder if the department could provide to the committee, not necessarily right now, but the cost of the Minneapolis promotion last year and this year where the police pipe band was taken down and there were rooms in hotels, receptions,

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hospitality, etc. I wonder if we could have the cost of the promotions for 1985 and 1986.

**HON. M. HEMPHILL:** Yes, Mr. Chairman. Was it just the Minneapolis blitz you wanted? It was \$70,000 last year and \$90,000 this year, or was it individual costs for all of these?

**MR. F. JOHNSTON:** No, the Minneapolis blitz. Now that's 70,000 last year and 90,000 this year.

What organizations were taken down to the Minneapolis blitz?

**HON. M. HEMPHILL:** Mr. Chairman, we have about 40 suppliers altogether who went down. We had hotel men. We had suppliers. We had Folklorama representatives, tour bus operators and restaurant associations.

**MR. F. JOHNSTON:** Did these people pay any part of their own costs?

**HON. M. HEMPHILL:** I beg your pardon?

**MR. CHAIRMAN:** Did these people pay part of their own costs?

**HON. M. HEMPHILL:** They paid all of their own meals, half the accommodation and the air fare was provided by Northwest Orient.

**MR. F. JOHNSTON:** Of course, the police band travelled by bus, I imagine?

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. F. JOHNSTON:** It was \$95,000 and they paid their own meals and part of their accommodation. Where was the \$95,000 spent?

**HON. M. HEMPHILL:** Mr. Chairman, the cost would be promotions, hosting public events, rental vehicles, some honorarium, and it's \$90,000, not \$95,000.00.

**MR. F. JOHNSTON:** Does the department have any record of the number of people that attended from Minneapolis? I understand some of the receptions were mostly Manitoba people.

**HON. M. HEMPHILL:** We don't have the figures, Mr. Chairman, that the member is asking for.

**MR. F. JOHNSTON:** Well, were there invitations sent out or did people sign as they came in? Were there no records kept of the number of people from Minneapolis, that target area, that attended our receptions?

**HON. M. HEMPHILL:** The receptions we're getting the information on, the mall promotions, of course, would be very difficult, and it's my understanding that one of the most successful activities was the mall promotions.

**MR. F. JOHNSTON:** The mall promotions, does this include the fishing camps from Northern Manitoba, their booths, or are they involved in this one?

**HON. M. HEMPHILL:** There were some operators in the mall shows.

**MR. F. JOHNSTON:** Is this in conjunction with the Minneapolis . . .

**MR. CHAIRMAN:** The Member for Sturgeon Creek, excuse me, could you speak up a bit, please?

**HON. M. HEMPHILL:** Yes, we are having trouble hearing.

**MR. F. JOHNSTON:** Is this in conjunction with the Minneapolis Summer Festival or . . . ?

**HON. M. HEMPHILL:** No, it is not, Mr. Chairman.

**MR. F. JOHNSTON:** Is it in conjunction with the Sportsmen's Show?

**HON. M. HEMPHILL:** It's my understanding that we were primarily there to talk to the travel agents and that we visited about 200 agents, which was a larger number, considerably, than they had done previously.

**MR. F. JOHNSTON:** But it wasn't held at the same time as the Sportmen's Show?

**HON. M. HEMPHILL:** There was a weekend overlap with the Northwest Trade Show.

**MR. F. JOHNSTON:** Of course, the northern fishing lodges from Manitoba, they would have their own booths in the Northwest Trade Show?

**HON. M. HEMPHILL:** Yes, Mr. Chairman, they would have their own booths and also participated in both programs.

**MR. F. JOHNSTON:** Were they available to work with the travel agents in Minneapolis?

**HON. M. HEMPHILL:** Yes, Mr. Chairman, there was a weekend overlap and they were available.

**MR. F. JOHNSTON:** The Minister has given me the 70,000 figure for 1985 and the 90,000 figure for 1986. Is it possible to have some breakdown of those expenditures with the organizations that took with us? And, as I say, that can be provided to us.

**HON. M. HEMPHILL:** Yes, absolutely, Mr. Chairman, we're quite happy to provide that breakdown.

**MR. F. JOHNSTON:** The group travel, this is support to group travel agents in Manitoba that are putting together group travel for Manitoba? They're advertising in other areas and you're supporting them with advertising?

**HON. M. HEMPHILL:** There are a few inbound Manitoba operators, but it's largely support to outside, those outside.

**MR. F. JOHNSTON:** What support do you give to travel agents outside the province of Manitoba?

**HON. M. HEMPHILL:** Mr. Chairman, we have to distinguish between what kind of support it is. If it's support under the agreement, there could be some money provided. If it's an agreement under Travel Manitoba support, it's non-cash support that they get, counselling information, advice.

**MR. F. JOHNSTON:** The cash support is provided under the Canada-Manitoba Tourism Agreement?

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. F. JOHNSTON:** The information — well, I could leave that, Mr. Chairman. The information is further up.

**MR. CHAIRMAN:** The Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Mr. Chairman.

In the section 3, Grant Assistance, can the Minister tell me what is being received by the parent organization for Tourism Manitoba?

**HON. M. HEMPHILL:** Yes, I was just confirming that the parent organization is the TIAM organization. They are receiving from the province a grant of, I think it's \$123,000 a year for the total organization, which is then divided up to the various regions where they get a range from a \$7,000 grant up to a \$49,000 grant going to the TIAM central office. It comes to, I'm sorry, not 123,000, it's \$189,000.00.

Apart from that, the Federal Government and the Provincial Government agreed to give an additional grant under the new agreement, which was an additional \$123,000 which was also divided and broken up with \$10,000 additional going to TIAM central office and the rest being divided up in the regions.

**MRS. S. CARSTAIRS:** I am concerned that at one point the grant that was given to the Winnipeg central office, which was about 49.9, covered almost all of their costs. Their budget was about 65,000. Now their budget is 135,000 and yet they are still getting the same basic grant.

Is this an indication of the lack of commitment to this organization?

**HON. M. HEMPHILL:** Mr. Chairman, in these times, I hardly can imagine that anybody would think that a grant that was almost doubled — I guess not quite doubled — was a lack of commitment to the organization. In fact, the decision to give additional funding, you know, they were getting \$189,000 in total, you have to look at the funding that is going not just to central but to the regional offices, the total amount, and to take a grant that was at \$189,000 and add another \$123,000 in one year can hardly be called a lack of commitment to the organization. It's only because of the very strong commitment to the tourist industry people and to the regional offices that that grant was made. I did indicate that the central office did receive an additional grant of \$10,000, but the rest of it is going out to the regions.

I've had many meetings with them, and I didn't have any concerns raised to me about that point. I think that they were pleased to receive the additional \$10,000,

but there was not a suggestion from anybody, from the regions or central office, that we should be taking more of the money away from the regional offices and putting the larger amount into the central office.

**MRS. S. CARSTAIRS:** I am not suggesting we should be taking more from the central office and putting it into the regional offices or vice versa. I am suggesting, on representation made to me by the central office, that the funding which they are receiving, which used to be 49,900 of \$65,000 and is now 49,900 of \$135,000, is in fact providing them with woefully inadequate funds to carry on their central function.

**HON. M. HEMPHILL:** Mr. Chairman, I'm wondering if the representation that was made to you was made prior to the announcement of the additional \$123,000.00. That's the only thing I can imagine that would account for that kind of a response.

They are not getting 49,000 now; they're getting \$59,000.00. I have to say that, when I met with them and discussed it and told them what they were getting and how it was going to be divided, at no time did the representatives from the central office indicate to me that they were dissatisfied with the allocation or the total amount. In fact, since it was very questionable that the 123,000 would be agreed to under the new agreement, they were awfully glad to get the news.

**MRS. S. CARSTAIRS:** It doesn't surprise me that any organization would be delighted to get an additional \$10,000.00.

**HON. M. HEMPHILL:** An additional \$123,000.00.

**MRS. S. CARSTAIRS:** Well, we're talking about the central group here.

It is true, I think, that we are losing our share of the tourism market, not in terms of our own percentages — we are going up — but in terms of the percentages for the other Prairie provinces. Is that not correct?

**HON. M. HEMPHILL:** I'm sorry, Mr. Chairman, I only heard part of the question.

**MRS. S. CARSTAIRS:** It is true, while our own tourism figures are going up in terms of percentage, our tourism rate is not going up as fast as the other Prairie Provinces. Is that correct?

**HON. M. HEMPHILL:** It's my understanding that their rate went up faster than ours did in 1986, but that, in 1985, our rate went up significantly higher than theirs did. So you'd probably have to look at it overall.

**MRS. S. CARSTAIRS:** Can the Minister confirm to me that, in terms of the 10 provinces in Canada, we are seventh in the amount of marketing dollars actually spent on tourism?

**HON. M. HEMPHILL:** Mr. Chairman, the information I have now indicates to me that we're up 4.7 and Saskatchewan is minus 3.9 up to the end of April. You were asking for comparisons with other provinces.

**MRS. S. CARSTAIRS:** What about Alberta and British Columbia?



**HON. M. HEMPHILL:** Alberta is 7.6, and British Columbia is 7.4.

**MRS. S. CARSTAIRS:** Considerably above what we are. So if we averaged them out, we're in fact . . .

**HON. M. HEMPHILL:** Medium, probably.

**MRS. S. CARSTAIRS:** In terms of the marketing strategy money, however, is it true that we are seventh for Canada in terms of the money that we spend on marketing?

**HON. M. HEMPHILL:** Mr. Chairman, that's probably correct. We can't confirm the exact figure, but it's probably correct.

**MRS. S. CARSTAIRS:** Does the Minister plan, during her ministry, to increase the marketing percentage, and thereby give us the opportunity to do as she said and to which I agree completely, that we take advantage of all of the elements that we have for a boom tourist industry?

**HON. M. HEMPHILL:** Mr. Chairman, the first answer is yes. We do both hope to and intend to. I think it's important to indicate that there is 30 million in the new Tourist Agreement. That is where we are concentrating a lot of our activities, and our new money for new initiatives, marketing and promotion.

**MRS. S. CARSTAIRS:** I'd like to congratulate the Minister or the previous Minister on the change of advertising strategy. I think that getting the advertising out in January has, in fact, been a very wise move in terms of helping those south of the border and in other provinces plan their holidays so that holiday can include a visit to Manitoba.

**HON. M. HEMPHILL:** Mr. Chairman, I have to bow to my colleague, and let him take the cheer or the credit.

**MR. E. CONNERY:** He did something right.

**HON. M. HEMPHILL:** I think there's general agreement by both our industry and our province that the early marketing is very important, although it's interesting that I don't believe the Federal Government studies or position is the same. They think that we can still come out sort of late, although we're beginning to pull them in with us and with our thinking for early marketing.

**MR. CHAIRMAN:** The Member for Portage.

**MR. E. CONNERY:** Just for the numbers that we did so well with the year before in tourism when we went up, I think . . .

**MR. CHAIRMAN:** Excuse me.  
The Minister of Education.

**HON. J. STORIE:** On a point of order, the Member for Sturgeon Creek mutters from his seat that marketing before March is waste of time and money.

**MR. F. JOHNSTON:** That's right, Mr. Chairman. If we're going to have points of order on what I said across the table, marketing much before March has been proven over the years — and this is the average number of years — is not directed to the best place in the market for the western part of the United States and for the western part of Manitoba. January is not a month when people look at marketing to that great an extent when you're talking about holiday seasons. If the member would like to have a debate with me across the table, I'd be very glad to do it.

**MR. CHAIRMAN:** I think the Member for Sturgeon Creek's remarks were relevant to Travel Manitoba. The point of order by the Minister was not a point of order. Cross-the-table discussion, I think, can be conducted in the back of the room, but that was not a point of order.

**MR. F. JOHNSTON:** As a matter of fact, I wasn't speaking to him. I was talking to my colleague beside me.

**MR. E. CONNERY:** The point that we should raise, when our tourist numbers did increase so greatly, it was the year when we had the Pope and the Queen. So I think there was a real reason. Wasn't it? When did they go up?

**HON. M. HEMPHILL:** Last year, and we didn't have the Pope and the Queen.

**MR. E. CONNERY:** Last year they went up, in 1985?

**HON. M. HEMPHILL:** In 1985. The main reason, we believe, for the increase is the targeted marketing. It is targeting our primary market areas and concentrating on that, both geographically and destination area and specialty market. We target all those.

**MR. E. CONNERY:** Well, the Member for River Heights had mentioned money for TIAM. She was concentrating on the central office, but this year the tourist people within the RDC's, I think in all cases — I'm not sure in all cases — but several of them had run out of money and had to lay off their person responsible for tourism in the rural area. What comment has the Minister got on that?

I know definitely in Portage, and I was told that there were others. They were connected with the RDC, the Tourism person with the RDC.

**HON. M. HEMPHILL:** Mr. Chairman, there isn't any direct connection. They do work together, and they do have some joint sort of cooperative interests and activities, but they are separated and their grants and their funding are separated.

**MR. E. CONNERY:** The RDC's and the Tourist sector are separate.

**HON. M. HEMPHILL:** Are separate.

**MR. E. CONNERY:** Yes, that's the question. Why were they not given adequate funding to maintain their personnel?

**HON. M. HEMPHILL:** Mr. Chairman, the RDC's were given the same funding level as last year. We're not aware of layoffs, so perhaps . . .

**MR. E. CONNERY:** I think I'm going to try to clarify, Mr. Chairman.

The RDC's are separate from the tourist people but they do have some accommodation for that tourist person to be within their facility.

**HON. M. HEMPHILL:** In some cases.

**MR. E. CONNERY:** But the funding for that person in Tourism was not there. I'm not saying that the RDC's didn't get the funding, but the tourist person.

**HON. M. HEMPHILL:** Mr. Chairman, now I understand the point he's making. In some of the regions, they did lay off people and were having trouble maintaining their services. That of course is one of the reasons that we looked so seriously at the request, and agreed to commit another \$123,000 to them.

**MR. E. CONNERY:** Your program of funding, is it that fragile that they have enough and then they don't have enough? They're on for awhile. How do you have an ongoing tourist program if the people aren't on full-time pay?

**HON. M. HEMPHILL:** Mr. Chairman, their base funding was there. They had the \$189,000.00. The original plan was that they would move towards self-sufficiency. It was never intended when they were set up that they become an ongoing and sort of perpetrating body that required larger and larger amounts of money. Now that might have been a little idealistic, and it may be that they won't gain self-sufficiency quite as quickly as people had thought but that was the goal.

I think what they're faced with is the same thing as anybody else is faced with. They've got a lot of things they want to do and a lot of activities, and they're trying to do as much as they can with the money that they've got. We're trying to support them to a level that they can not only maintain what they were doing, but they can expand and increase their programs in the way that most suits the region.

When I met with them, it's quite clear that they have quite a wide variety of activities going on in the various regions, and they determine those activities themselves. I think the increase in grants clearly will allow them not only to maintain but expand. In fact, they told me that.

**MR. E. CONNERY:** \$123,000 additional for TIAM, which is regional and central, is in the new agreement with Ottawa.

**HON. M. HEMPHILL:** Yes.

**MR. E. CONNERY:** When that agreement expires, what happens then as far as funding? If you can't achieve a new agreement with Ottawa, is the province going to come up with another one?

**HON. M. HEMPHILL:** Mr. Chairman, first of all, we're in the first year of the new agreement, and it's a five-year agreement.

I would say that the TIAM Association has, in terms of bodies, all would like inflation factor built in or CPI or a formula that would guarantee an increase or guarantee that the money was there. They probably have more guarantee and more protection than most other outside organizations receiving grants from government today because, in the negotiations with the Federal Government, we agreed that the \$123,000 increase would come for the TIAM Association in each year of the agreement with only one provision. That is that there be a review at the end of each year by both the Federal and Provincial Ministers. The TIAM Association quite agreed that there should be some evaluation at the end of the year, but that has been built into the negotiations. So I would say they're in pretty good shape.

**MR. E. CONNERY:** It should be pointed out that in the TIAM Report, which I'm not going to look for, they said that government funding had, up until this point, remained the same while their people have doubled. So I think the TIAM people have done a super job in increasing their own funding. So I think the private sector has done a pretty fair job.

**HON. M. HEMPHILL:** Mr. Chairman, I agree that they are trying to work towards that. The one other point that should be made, of course, is the large number of volunteers. You know, I think that there is a tremendous volunteer support and effort that has to be recognized through the TIAM associations and the regions. They're doing a marvellous job, and that's why we were so anxious to support them.

**MR. F. JOHNSTON:** The federal-provincial agreement, it's 60-40 — is it? — or 50-50.

**HON. M. HEMPHILL:** I wish, as long as the 60 was theirs and the 40 was ours. It's 50-50, Mr. Chairman.

**MR. F. JOHNSTON:** Then the Federal Government is paying 50 percent of the cost to the regions and also 50 percent of the increase in the funding for the TIAM.

**HON. M. HEMPHILL:** Yes, Mr. Chairman. We were quite clear when we announced it, that it was under the agreement and that it was 50-50 by the Federal Government and the province, and we were sharing the costs.

**MR. F. JOHNSTON:** The Minister mentioned 60-40. Back in our days, it was 60-40, and we also paid it out of our agreement.

Does the central office have anything to say about how much the regions get or how the regions spend their money?

**HON. M. HEMPHILL:** Mr. Chairman, I'm advised that the original allocation was done by the province with some advice from the central office, and that the money that has been given since then has been based on that original allocation. It certainly would have to do with their activities and their size.

I don't believe that TIAM Association Central dictates to the regions what they do, but I think they do a lot

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of coordination and a lot of even cooperative programming that goes on, but they don't dictate to them what they do. You can tell that from the plans that they have for the various regions in the future. They're quite independent.

**MR. F. JOHNSTON:** Is it still the seven regions?

**HON. M. HEMPHILL:** Eight regions, including Winnipeg.

**MR. F. JOHNSTON:** Could we have a breakdown of the amount that each region gets?

**HON. M. HEMPHILL:** Yes, Mr. Chairman, I can give that to you right now. These are the figures without the increase. I'll give you the original first, because we haven't added the two together.

The Central got 49,000; Winnipeg Convention and Visitors' Bureau, 36,200; Brandon Convention and Visitors' Bureau, 15,600; Regional Tourist Booth Sponsor Support, 12,899; Interlake Region, 10,733; Central Plains Region, 7,103; Eastern Region, 11,833; Pembina Valley Region, 7,103; Western Region, 9,523; Parkland Region, 11,833; North of 53rd Region, 16,673.00. The increase, the 123,000, we gave an additional 30,000 — or was it? Mr. Chairman, they each received 30,000 less what they had received . . . . We supplemented to \$30,000 for each region with central getting an additional 10.

**MR. F. JOHNSTON:** Wait a minute now. The central got an additional 10 bringing them to 59,000 and the balance went to the seven regions or was it spread between these organizations?

**HON. M. HEMPHILL:** It was spread between the regions.

**MR. F. JOHNSTON:** The regions? You said said there were eight regions but you gave me a couple of others in there that are not regions, but was it on a percentage increase for each one?

**HON. M. HEMPHILL:** No, we brought each one up to \$30,000.00.

**MR. F. JOHNSTON:** You brought each one up to \$30,000.00?

**HON. M. HEMPHILL:** Yes.

**MRS. S. CARSTAIRS:** Yes, 1988 is going to be the 250th anniversary of the establishment of both Fort Rouge and Fort la Reine in Portage la Prairie by La Verendrye, and marks our 250th anniversary of the first white settlement. Is Tourism Manitoba planning anything to bring back, in a homecoming way, people to the Province of Manitoba during that year?

**HON. M. HEMPHILL:** Mr. Chairman, it's one of the items that's under consideration right now in the proposals before us.

**MRS. S. CARSTAIRS:** I have a letter here which dates back to October 9, 1980 in which it was under

consideration at that particular point by the Minister, Mrs. Price. Has it been under consideration now for six years?

**HON. M. HEMPHILL:** My guess is that since the original one was with Mrs. Price is that she was considering it and that the others have been considering it since then.

**MRS. S. CARSTAIRS:** Yes, I'd like to go back to these grants. Parklands, I think the grant given — it was given quickly — was 9,000-something?

**HON. M. HEMPHILL:** Parklands is 11,833.

**MRS. S. CARSTAIRS:** So that was, in fact, in this new agreement it was given a grant of almost 20,000 to bring it up to 30,000?

**HON. M. HEMPHILL:** That's right.

**MRS. S. CARSTAIRS:** What was the rationale giving the regions such a disproportionate share of this money in comparison to the central office of this organization?

**HON. M. HEMPHILL:** Mr. Chairman, the basis of it was to divide it so that we were suggesting 15,000 for staff and 15,000 for marketing, which gave each one of them a base for both marketing and promotion and staffing, so that they each have a basic base, I suppose would be the way to describe it, from which to operate.

**MR. CHAIRMAN:** 3.(a)(1) — the Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Well, say we bring the seven regions up to 30,000 and we bring Winnipeg up by 10,000, but there's two other organizations — or one other at least — in Winnipeg that was brought up as well, wasn't there?

**HON. M. HEMPHILL:** It was brought up for what?

**MR. F. JOHNSTON:** That was increased as well. You gave the \$49,000 for the TIAM Central and you gave me 36.2 for . . .

**HON. M. HEMPHILL:** Yes, they're eligible under the agreement for marketing.

**MR. F. JOHNSTON:** And the 36.2, what was that one?

**HON. M. HEMPHILL:** Winnipeg Convention and Visitors Bureau.

**MR. F. JOHNSTON:** Winnipeg Convention Centre Tourist Bureau. So, Winnipeg, there's really two organizations in Winnipeg, TIAM Central and the Tourist Bureau that had an increase in funding?

**HON. M. HEMPHILL:** That's true. Oh, I'm sorry, correction there. The Winnipeg Convention and Visitors Bureau did not get any additional money. They are eligible under the new agreement, under marketing.

**MR. CHAIRMAN:** The Honourable Member for Portage.

**MR. E. CONNERY:** In our advertising section, do you want to make some comment on "Come To Winnipeg, Your World Next Door." It's part of your advertising promotion. What's special under this that you haven't told us already? This is the federal-provincial one . . .

**HON. M. HEMPHILL:** Yes, Mr. Chairman. That's an advertising program that was initiated by the Federal Government and that had the participation of Folk Arts Council of the City of Winnipeg, the Chamber of Commerce and ourselves, and the Convention Bureau. All of those groups got together and put in a certain amount of money. We put in \$50,000 toward that promotion and its principle is to be a promotion of the multicultural nature of the Province of Manitoba. So we're promoting multiculturalism and the activities, the people, the resources, the festivities like Folklorama, but not just like Folklorama; it's an expansion of Folklorama.

**MR. E. CONNERY:** Is this the program that the Minister was dragging her heels on when she acknowledged that early promotion draws more tourists to Manitoba?

**HON. M. HEMPHILL:** Yes, Mr. Chairman, it is the promotion that I was dragging my heels on for very good reason though, because by dragging our heels, Mr. Chairman, we got an agreement from the Federal Government to do a number of things that we thought were very important. One was to agree to a long-term multicultural promotional program over a period of two or three years instead of what was originally planned, which was sort of a one-shot deal, which we thought is not good marketing strategy — you have to build.

We also got them to agree to — what were the other things? Oh yes, and the broader consultation, there were three things: (1) we wanted to focus on broad multiculturalism in Manitoba because we've got activities going on throughout the province all through the year and we want to get away from, as important as Folklorama is, of having people believe that multiculturalism takes place one week in Winnipeg in Manitoba; (2) we want them to know so that they can get it anytime they come, almost anywhere; and (3) there would be broader consultation with the ethnic community, so that when we went in and broadened the content away from just Folklorama, we also included a broader consultation with the ethnic community through the Intercultural Council.

I think the agreement to develop and to fund, under the agreement, a plan for a two- or three-year period was very, very important for us.

I just might also say that although the program is late, we have found before that when we have developed good programs and they've been a little late getting off the mark, or we review them again, so they can be used again another year. We don't scrap things that are developed and that are good and that can still be used to promote. It may be a little late this year — and I think it is — but it's a beginning and we can still continue to use it.

**MR. E. CONNERY:** We'll be closing soon for the Private Members' Hour. Does the Minister have a copy of the

various publications that they have put around so that we can peruse them before?

**HON. E. HEMPHILL:** I think we've put a number of them up on the table there for you, plus a copy of the new posters, which I am supposed to inform you are \$3 a poster or \$18 for the series, unless the department feels that the promotion to you is worth \$18.00.

**MR. CHAIRMAN:** Charge it to members' expenses.

**MR. E. CONNERY:** So what are you saying? You're selling these to people so we can put them up?

**HON. M. HEMPHILL:** We may even make them available to you if the promotion is going to be well used.

**MR. E. CONNERY:** I'll have to have a look at them.

**MR. CHAIRMAN:** 3.(a)(1) . . .

**MR. E. CONNERY:** You have one area and this will finish the Tourism marketing. The consumer promotion — what consumer promotion do you use?

**HON. M. HEMPHILL:** Sport shows, mall promotions, group presentations where we're talking directly to the consumer and not through travel agents.

**MR. CHAIRMAN:** 3.(a)(1) . . .

**MR. E. CONNERY:** We have lots to go yet.

**MR. CHAIRMAN:** The time being 4:30 p.m., we'll interrupt proceedings for Private Members' Hour. We will resume at 8:00 p.m.

## SUPPLY — CIVIL SERVICE

**MR. CHAIRMAN, C. Santos:** The Committee of Supply will please come to order. We have been considering the Estimates of the Civil Service Commission.

We are now on Item No. 1.(b)(1) Human Resources Management Services: Salaries — the Member for Brandon West.

**MR. J. McCRAE:** Mr. Chairman, last evening we were discussing personnel records under Administration and Finance. I believe the Minister told us that a good deal of personnel records from all the departments are kept by the Civil Service Commission and that would be covered under the appropriation under (a) Administration and Finance. Yet I looked at Page 19 of the Supplementary Information the Minister was good enough to provide us with, and Reference No. 5 refers to development of personnel records, policy and managing of personnel record systems for all Manitoba government employees, etc. I would just like to have the Minister clarify whether those personnel records are kept under appropriation — I guess the appropriation for Administration and Finance or the appropriation for Human Resource Management Services.

Tuesday, 15 July, 1986

**MR. CHAIRMAN:** The Honourable Minister.

**HON. E. KOSTYRA:** The reference note No. 5 relates to commission management because they do the systems for the keeping of those records. Obviously there is greater room for . . . .

**MR. J. McCRAE:** I wonder either if we could have the sound system checked or if the Minister would speak out. I just did not hear a word he said.

**HON. E. KOSTYRA:** I think it's on now. I think he didn't have it on before.

The reference to personnel records here is that it is in relation to dealing with the personnel records systems as an information management function. That does not mean that the records are kept here but they work on the systems for the automation of the various records of the Civil Service and the personnel. Some of them are automated; others are still on the manual type systems.

**MR. J. McCRAE:** I wonder if the Minister could just make that a little clearer for me. I'm not sure I understand. What was the reference then last night to the Administration and Finance appropriation and the fact that the \$475,900 is related to personnel records?

**HON. E. KOSTYRA:** All of the hard copies, all of the records are kept in the area and maintained by the staff in the administration area. The reference in No. 5 is to the Information Management Division of the department which is responsible for the development of information systems. So they are responsible for developing information systems with regard to the personnel records. The records are located in the section that I said they were, the hard copy. There is staff allocated there to deal with them. This branch, further down the road under Reference 5, is the branch that provides the computerization for those records. It plans the system and implements the system in this area and in other areas of commission activities.

**MR. J. McCRAE:** Is the Minister assuring us that there is no duplication of services in the two appropriations?

**HON. E. KOSTYRA:** No, there is no duplication of services between the two areas.

**MR. CHAIRMAN:** 1.(b)(1) — the Member for Brandon West.

**MR. J. McCRAE:** Mr. Chairman, also on Page 19 of the Supplementary Information, under Other Expenditures, this is Reference No. 5, there is an allocation for professional services significantly higher than professional services last year. Perhaps the Minister can tell us what the \$45,900 paid for last year and what the \$98,500 pays for this year?

**HON. E. KOSTYRA:** I'm informed that significant increase is related to ongoing improvements in the whole information system of the department. The specific increase relates to one contract that's been entered into with System House Ltd. who are

consultants in the computer information field and they are working on a major reorganization and upgrading of the commission's computer and information systems.

**MR. J. McCRAE:** Mr. Chairman, I'm wondering which benefit and insurance programs assigned — well, we're really not at the Labour Relations Services yet, so I'll come back to that.

Under the Development and Training, would that come under this heading, Mr. Chairman?

**HON. E. KOSTYRA:** Yes, it will. It comes under Reference No. 8, Page 23.

**MR. J. McCRAE:** Here again, Mr. Chairman, could I ask the Minister about the substantial increase in the allocation for professional services?

**HON. E. KOSTYRA:** The increase in professional services here is to accommodate increased outside resources that will be contracted on an as-need basis for a number of training programs, including Affirmative Action and other areas of the department. What it would be is people hired to conduct courses for the government, so there isn't one major contract in it, but a number of individual contracts.

**MR. J. McCRAE:** Does the commission have any specific courses or plans in mind to — you know, does it know specifically how it's going to be spending this \$86,100 this year?

**HON. E. KOSTYRA:** I would first say that the practice that the Commission has been in the use of outside consultants for training in most instances was to train the trainer so that whatever information existing staff can develop in new or different areas, and it is something that is then built into the in-house programming of the Commission so there isn't an ongoing reliance to outside assistance.

The two specific areas that will see greatest attention are related to Affirmative Action and Career Development. One particular area within that is a new area which is something called the Assessment Centre in which there will be a significant involvement from outside consultants. It's something that has not been previously developed at the Commission as a specific thrust.

What it is is to have a centre which assesses people's ability to do work and to develop career ladders, an assessment which is different than merely assessing a person's academic or specific qualifications in some cases to provide a better understanding and some equivalency in terms of what a person may need. So it's a specific initiative that's part of the Affirmative Action thrust which will require outside consultants because it is not an expertise or knowledge that exists within the Commission at the present time.

**MR. J. McCRAE:** Mr. Chairman, I take the Minister back to his opening statement last evening. On Page 2 of that statement, the Minister said that seven staff years and an additional \$500,000 had been included to provide resources for the implementation of Pay Equity and to fund a number of central initiatives in support of Affirmative Action.

These expenditures or professional services, are those expenditures included in the figure of \$500,000 that the Minister gave us last night?

**HON. E. KOSTYRA:** Not specifically, though I think the member will recall last night I talked about money that was coming from the MGEA Trust Fund in agreement with the MGEA for the Career Development Program, so part of those funds will be used to offset that.

**MR. J. McCRAE:** I think the question, then, Mr. Chairman, goes to Reference No. 9 on Page 25 where we have here funding for an expansion of six staff years for expansion of the Career Development Program, and funding for this expansion has been appropriated in the Manitoba Jobs Fund, MGEA portion, so that the money for those staff years, there's money in addition to that. In other words, these professional services would be part of the money coming from that source?

**HON. E. KOSTYRA:** Yes, the salary dollars are in addition to what is shown there from the Trust Fund.

**MR. J. McCRAE:** Mr. Chairman, I just make the comment that it's very hard to really get to a bottom line figure as to what these initiatives are going to cost the taxpayers of Manitoba. I'm talking about Pay Equity and Affirmative Action Programs. It appears to me that there are expenditures here, expenditures there and all over the map, and it's very hard for us to nail down exactly what the bottom line cost will be. It's one thing to support such initiatives, and I can't see how anyone wouldn't be supporting the principle that people be paid equal pay for work given of an equal value. We also support Affirmative Action which would assist those in positions in society that need that type of assistance the most. But it is fair, I believe, to the taxpayers of the province to understand just what it is that they're paying for these initiatives.

Mr. Chairman, in the same line, we talked a moment ago about training for trainers and we talked about this figure of \$86,000 for professional services. I'd like to take the Minister to Page 61 of the annual report of the Commission which lists various courses that are offered. We see on the right-hand side a column showing us the number of civil servants attending these various courses.

Are they attending those courses of their own volition or are they referred by their managers or by their superiors?

**HON. E. KOSTYRA:** Before I answer that question, I'd just like to answer the comments that the member made previously. I know he wasn't suggesting it, but when one may read the record there may be some that would read the remarks in such a way as to interpret the member's comments to suggest that the government was somehow fudging the figures in terms of what was happening with Affirmative Action.

The only area that is not accounted for specifically in these Estimates, though it's reconciled, is the money from the MGEA Trust Fund which is a salary increase that was part of the negotiated agreement that was renegotiated and put back to assist in various

government programming areas. Some of it was used in Highways and a small amount has found its way here.

I would just point out the other part of I guess his concern was that monies are here, there and everywhere. Well, that's actually true and I don't apologize for that fact because one of the things that we're attempting to do in terms of affirmative action is not deal with the issue of affirmative action by layering on additional resources or additional costs. A lot of it is being accommodated within various appropriations of the department or of the Commission as a priority of the Commission so there's some reallocation of existing resources to that.

It would be much easier to deal with problems if one had the resources and just layer on more staff and double the money in order to deal with it, but a lot of it is reallocation of existing activities to make that a priority. So you will see, and the member can question literally in any area of the Estimates and find some of those monies going towards initiatives like that. That was a deliberate decision to include as much as possible within the existing resources, recognizing that there had to be some additional resources placed on that.

In terms of his question, on Page 61 of the report, there are two ways of employees getting into these programs. One is on their own request where they ask to be provided with the opportunity to attend these courses, or on reference by management of their departments where management of that department feels it would be in the interest of their career or their position to participate in some of those courses.

**MR. J. McCRAE:** Would I be correct in saying that those referred by their superiors would take these courses on company time or government time?

**HON. E. KOSTYRA:** Most of the courses that are offered through the Commission are on government time.

**MR. J. McCRAE:** Those courses taken at the request of the employee, are they taken on government time too?

**HON. E. KOSTYRA:** Yes, for employees that request courses, both the departmental management has to approve of the employee participating and the Commission.

**MR. J. McCRAE:** That's where my next question was leading me, Mr. Chairman. The value of some of the programs must surely be recognized by the employer before an employee is authorized to take those courses, especially when they're taken on government time.

So, Mr. Chairman, when this annual report first came out, there was some attention paid to the list of courses offered. I believe the Minister or some official in the government made the point that, when it came time for Estimates, there might very well be a serious look taken at the value of some of these courses.

For instance, what is "Conversations for Action," and what is "Developing Your Power Profile"? Could I ask about those two courses, and if the Minister's Department has given any consideration to the continuation of those courses?

**HON. E. KOSTYRA:** The staff are just looking for the detail, but I just want to make a couple of general comments.

First, did I understand the member correctly when he said that there was some suggestion by me or staff that there would be a review of these programs in terms of effectiveness during the Estimates?

**MR. J. McCRAE:** Mr. Chairman, that is my recollection. I can't show you the Minister's exact words or whether they were his or someone else's, but it seems to me, whether in the Estimates process or at some point in the near future, the Civil Service Commission would re-examine the value of each of the programs. Some of the more questionable ones may be dropped was my understanding.

**HON. E. KOSTYRA:** I have a copy of the press report, and I'm not quoted at all in that, nor was I approached by this reporter that wrote, in my opinion, a rather silly article. I don't say that in reference to my next comment, but the comment of questioning some of the relevance of the programs was — or at least was quoted in this article as — yours and not the Commission staff.

I don't find fault with the member's comments on it, but the whole article, I thought, was one of the sillier ones that had been written, where it starts off saying: "The NDP Government spent about \$230,000 last year teaching civil servants to be civil." I think that is, quite frankly, nonsense. I'm sure the member has looked to the range of programs that are offered for employee development and better serving the public, so I found most of that article quite silly in terms of the approach that the reporter took to a serious subject of on-the-job employee training.

I'm just going to stop for a minute and see if I can get the detail on those two areas. I'm told that course was dropped after one year because there was only interest from 13 people to take it. The title of the course, I think, may be somewhat misleading. It is a form of assertiveness training to help people improve their profile in terms of making presentations and building their own abilities to pass on and deal with information. But it is no longer offered, as it wasn't a popular course in terms of participation.

I'm afraid I didn't hear the second course. If the member wouldn't mind repeating it, then I could provide an answer.

**MR. J. McCRAE:** Mr. Chairman, I take it that the Minister was talking about "Conversations for Action." — (Interjection) — No, "Developing your Power Profile."

**HON. E. KOSTYRA:** What was the first one again?

**MR. J. McCRAE:** The first one was "Conversations for Action."

**HON. E. KOSTYRA:** That course also has been dropped because of lack of response. It also dealt with assertiveness in terms of conversation and attempting to assist people in dealing with communications between individuals.

**MR. J. McCRAE:** Mr. Chairman, when the Minister talks about lack of response, is there a criterion or a number

of enrolled individuals you need in order to decide whether there's a lack of response or a good response?

I see that they're headed in the right direction by dropping those two courses because, if you turn over to Page 61, the Assertiveness Course, 217 attended those classes. I just wondered, when the Minister says there's a lack of response, what would be considered a reasonable response thus enabling the Commission to feel that it should carry on with the course?

**HON. E. KOSTYRA:** The process for the adding on or deleting of courses is not one that I could provide just one simple answer. Some of the requests come from the department in terms of what needs they see for training. On the basis of those requests and Commission resources, additional courses are added from time to time. There is an evaluation done of all courses, particularly new ones. From time to time, there are also new courses that are added to test to see if there is any interest.

So the decision to drop courses is made on the basis of the need, if there are other needs that are identified by departments that are of a higher priority than those that are offered presently; secondly, an evaluation of the course itself by the staff and by participants; and thirdly, the response to particular courses. So it would be a combination of those factors that go into decisions relative to courses.

**MR. J. McCRAE:** A few minutes ago, Mr. Chairman, the Minister made light of, I believe it was, a Free Press report about these courses and about teaching civil servants to be civil. I see that we had 217 in attendance at the assertiveness classes. As I understand the word "assertiveness," it doesn't mean to be particularly polite but to be very direct. Then on the other hand, we have "Dealing with the Public," and only 160 attended that one. Maybe that's the kind of list that the newspaper reporter was looking at when the comments were made about teaching civil servants to be civil.

I just wonder if the Minister could tell us any other of these courses that have been dropped, and if there have been any added since the publication of this annual report.

**HON. E. KOSTYRA:** Well I again will suggest that I found that article very very silly, because it suggested all of the courses that are run by the Civil Service Commission deal with making civil servants to be civil. If you look through the list, that is certainly not the case.

There are some courses, and I think they're important, for people that are dealing with the public on a regular basis who may need some assistance in terms of being civil to the public and how to deal with difficult situations as people who deal with the public get into from time to time. The member knows well what I talk about because, as an MLA, you get situations with people who are agitated or dealing with problems, and it's sometimes very difficult to deal with people. Sometimes a person who is not experienced in that has a great deal of difficulty, and may need help to be civil under trying circumstances. So that was the context in which I made that comment.

I also disagree with the interpretation he placed on assertiveness training. I don't necessarily interpret it

to be training to make people impolite. I interpreted it in a broader sense, in terms of providing people self-confidence with which to express their ideas and points. I will table a copy of this for the member. This is the staff training and development calendar for the government. It's published once a year in terms of what's available for civil servants. It gives all kinds of details on all of the programs that were offered until July 1986.

I'll just read the description of the assertiveness training workshop. It's open to all civil servants who would like to develop or improve their ability to communicate assertively. The workshop provides an opportunity to assess skill at communicating assertively. Participants in this course will learn to differentiate aggressive, non-assertive, and assertive behaviour, and use the components of assertion to enhance interpersonal relationships. It goes on from there. We will provide a copy after.

In terms of the question of the number which have been dropped and which have been added, we would have to go through that manually and take the 1984 report against the 1985 report. Staff don't know specifically which ones. It would be a matter of just going through the two lists.

If the member wants that subsequent, I will provide it for him.

**MR. J. McCRAE:** Mr. Chairman, I don't think I need that information for the purposes of the discussions here, but if I'm going to be the critic for my party, then it might be useful for me to have that information later.

With respect to these courses, we talked a little while ago, Mr. Chairman, about professionals being brought in for certain training, for trainers. Would there be outside professional services involved in presentation of these courses listed on these two pages, and to what extent?

**HON. E. KOSTYRA:** There are some that use an outside consultant. I'll use one as an example, from Page 61, and that is third from the top, the Kepner Tregoe Problem-Solving and Decision-Making Course. It's a relatively new one over the last few years. Staff from the consultants that are involved in that program do come in and conduct the training.

At the same time, staff of the Civil Service Commission and others within government are being trained in order to eventually run this course without their assistance.

I might also add that it's not only staff of the Commission that provide training, but the government has a program of training people in departments who are also used by the Commission to train employees in particular areas of expertise.

So it's not just the staff of the Commission that do the training, but staff throughout the Civil Service who have particular abilities or skills or knowledge, are trained from time to time as trainers of particular courses, and do provide that training.

To the greatest extent possible, in-house resources are used and where outside resources are used, if it's intended that that's going to be at all an ongoing program, then it's attempted to bring that expertise in-house.

**MR. J. McCRAE:** Mr. Chairman, I don't want to ask the Minister for too much in the way of specifics here about these courses, but perhaps with the help of the officials present today, he can help me with a couple of questions about them. What would be the average length of a course taken by a public servant, in hours, days, weeks, whatever?

**HON. E. KOSTYRA:** The average would be one to two days.

I just wanted to add another point, a detail in terms of my previous comment, and that is when I was mentioning about trainers from other departments. There are approximately 150 seconded trainers, that is, people throughout the system that are used on courses offered by the Commission, in-house; that's other than staff of the Commission itself.

**MR. J. McCRAE:** I think the Minister said the average course is a couple of days, one to two days. Mr. Chairman, how often then would a particular course — is it a matter of supply and demand situation for the number of courses offered in a year?

**HON. E. KOSTYRA:** Yes, there is, as part of the calendar, dates set for the courses throughout the year, depending on what has been the experience in the past in terms of enrolment. From time to time, there are adjustments made, depending on need, either increasing the amount if there are resources available, or decreasing it if there isn't as much interest.

**MR. J. McCRAE:** I see that at the bottom of the attendance numbers, there's a total of 3,818. I wonder if the Minister could tell me about how many public servants this figure represents. In other words, the same people might take more than one course in the space of the year. That's a pretty detailed question and I don't expect the Minister to have it at the tip of his fingers. Are there public servants out there who use the government as a place to further their career development which, as a general statement, no one would have any objection to. But there will be some out there who will be more interested in taking courses than doing the job that they're supposed to do. That's the point I'm getting at.

**HON. E. KOSTYRA:** Unfortunately, while there may be the exception to the rule, unfortunately because of overall constraints, the opposite is the fact, because each of the courses have to be approved by department management, so they do it on the basis, not only of the request and the need, but also on the basis of whether or not they can have that person, or a number of persons from their department taking courses, when there may be other priorities of the department.

What the Commission runs into are complaints from employees who are not allowed time and authority to attend courses. So that is more the common complaint that they receive, rather than anyone who — given that it's a departmental decision on whether or not people can participate, there is that control mechanism, so that there rarely is any abuse.

**MR. J. McCRAE:** I wonder how many senior people are involved in these courses as a ratio, or in relation



to some of the more junior members of our public service. For instance, if you happen to be an Assistant Deputy Minister, you're likely the one who's authorizing people to take the courses. I wonder how many Assistant Deputy Ministers, for example, avail themselves of the opportunities provided by these courses.

**HON. E. KOSTYRA:** We don't have any details of the type that the member asked, but generally there isn't, from the staff's overview of the enrolments in the course, there isn't a significant number of senior people that take a lot of the courses because most of them are developmental. The one area or the one exception is the first bracket, which is the general management courses, where more senior people, middle to upper management, avail themselves of those opportunities.

They do expect, though, to have a system in place where that kind of information is going to be more readily available, with computerization.

**MR. J. McCRAE:** I will get to the question of just what is a senior person in the public service in a few minutes, but I think I'll yield the floor now to the Member for Kirkfield Park.

**MR. CHAIRMAN:** The Member for Kirkfield Park.

**MRS. G. HAMMOND:** Thank you. I have another constituency problem. I want to indicate to the Minister that Mr. Paulhus sends his thanks.

I'm asking questions on behalf of Mr. Gregory James Fougere. The Minister would have received a copy of his letter that I wrote to the Minister of Community Services on behalf of Mr. Fougere. I have some questions on his behalf and I wonder if the Minister would be able to answer. He's on LTD, long-term disability, which ends September 24. Possibly the Minister would rather I brought it up under that part. It's fine?

Anyway, he has been really provided with no assistance for redeployment and I wonder if the Minister could indicate why he hasn't been offered any retraining. Evidently, the former Coordinator of Employment Evaluations gave him assurance that because of his qualifications and work experience — it's health related; he has asthma — that he would probably be redeployed in three or four months. He was getting this reassurance constantly. September is coming up very shortly and although he's applied for everything in sight, has had very few interviews and seemingly very little help.

I wonder if the Minister could indicate what is the problem here.

**HON. E. KOSTYRA:** Well, Mr. Chairman, I'm a bit reluctant to get into the details of this case because it is a personnel matter, and I have a file, frankly, that is quite thick that I could take the member through. I don't know if that would be fair to the individual involved.

There has been lengthy involvement from the Commission, and I have documentation going on six pages of dates and meetings and activities. As late as today there was a meeting with the personnel department of Community Services to continue to explore alternate employment opportunities.

But I could say to the member that while he may have, in his own words, applied for everything in sight, there has been specific job opportunities that have been brought to his attention on occasion that he hasn't availed himself for or has not followed up with.

The Commission, and I'm told the personnel staff of the department, are continuing to work with him. As I've said, there was a meeting as late as today with the staff in the department.

**MRS. G. HAMMOND:** I will tell the Minister that Mr. Fougere spoke to me as a last resort. He had taken what he felt was every line with the Civil Service Commission, with his own department and with the MGEA, and felt that he hadn't had any offers for retraining and had included, I think, a number of areas that he had a number of competitions or bulletins that he had applied for and hadn't received any interviews; also, that he tried to stay in his area of expertise.

Where we're talking about the courses, I was looking at the books, Page 61, and on his own pushing he took supervisory basics, assertiveness, dealing with the public, interviewing skills, negotiating skills, strategies for more effective listening. I believe that he has really made every effort to get employment in spite of what the Minister is telling me, but I am pleased to hear that there is some further ongoing discussion about his position.

What I would ask the Minister is if he hasn't received an offer of retraining or redeployment, will his LTD end September 23 as planned?

**HON. E. KOSTYRA:** His LTD would be terminated as planned?

**MRS. G. HAMMOND:** Yes, on September 23.

**HON. E. KOSTYRA:** Well, it's a decision of the adjudicator under the plan which is administered by the folks across the street, Great West Life. They make the decision as to when people stay or are taken off plans.

There has been opportunities and I can give one specific example. On May 28, 1986, he was offered an opportunity at the Manitoba Youth Centre as a juvenile counsellor. He declined the opportunity on the grounds that he did not want to work in an institutional environment. As I indicated, staff still are working with him to see if there can be other opportunities identified where he would be willing to work.

**MRS. G. HAMMOND:** Yes, Mr. Fougere did tell me about that and did indicate that a job in an institution is liable to put him back in the same spot because of smoke. He can't be around second-hand smoke and so he really has to be in a fairly smoke-free environment because of his asthma. That was one of the reasons he had given.

The other thing that the Minister mentioned was about Great-West Life. I wonder if he could tell me what type of health that Great-West Life would give to somebody like Mr. Fougere to help him get employment.

**HON. E. KOSTYRA:** I'll just make one comment on the member's previous comment about the decision

by the employee not to go in that area. These are difficult areas for us to deal with because it's not really an employee's response in terms of his health, that we have to rely on medical people, and I guess if one wanted to find a true smoke-free environment then virtually at the present time there would be very few throughout the whole system if that was the definition of a need that he sees in terms of his work area.

Great-West Life, as part of the insurance program, does maintain a rehabilitation consultant and they have had very extensive involvement with Mr. Fougere on a whole number of occasions providing him with help because he did express an interest in working in the private sector.

There were suggestions made to him in terms of looking at opportunities at Great-West Life, of registering with the Canadian Employment Centre and registering with the local Canadian Employment Centre. He was concerned apparently with that because it might impact on his unemployment insurance, so that wasn't pursued at that time. I don't know if it was pursued subsequent.

There were other suggestions for him in terms of the private sector, and there are a whole series of involvement from the Great-West Life rehab person with respect to that.

**MRS. G. HAMMOND:** Could the Minister indicate why Mr. Fougere was not given any offers of retraining?

**HON. E. KOSTYRA:** The first practice with respect to individuals who are in this situation is to find them positions in areas they are trained for. If you look at his training, it's fairly extensive, and there are a number of opportunities within the government. Unfortunately, as you indicated, he does not want to work in an institutional setting, which makes it somewhat difficult in terms of his background and in terms of his training. But until those opportunities are exhausted, then we don't look at the training opportunities unless it's indicated there's nothing available in his area.

**MRS. G. HAMMOND:** Well I guess that there's another question that arises from that then. Since nothing has been found for him, because in many cases I think — and the Minister is probably aware from looking at the record — that he's applied for a lot of jobs, and there doesn't seem to be a system in place to get him even the interview. I guess what he's looking for is a better chance.

He brought to my attention something that the Minister, I'm sure, is aware of. It was in Saturday's paper where they're referring to a magistrate who was charged with shoplifting and was reassigned to a clerical job pending the outcome of the case, and then went on to say that the charges were stayed and the magistrate took a job elsewhere in government. I feel, myself, when I read this that here's someone that a job was found handily for where criminal charges were involved, and yet this is the man's health and nothing seems to have been done certainly as quickly for Mr. Fougere.

I won't take up any more of the Minister's time, but I'd appreciate it if he would take a look at this case. The man really wants to work. He's been a good

employee, and he is willing to take almost anything. He does not want to be in an institutional situation, but I think his background and education would allow him to be either retrained or placed in another position.

**HON. E. KOSTYRA:** As I indicated before, there has been extensive involvement and those meetings are continuing. Hopefully they can find a reasonable solution.

I know sometimes, from the individual's perspective, they feel that not everything is being done. I've certainly run across that in terms of areas of government but sometimes, when you look into it, you find that it's a matter of perception and how that person feels from his own perspective in terms of feeling that he has not been dealt with.

But in reviewing this fellow, there has been extensive work with the individual, both through staff at the Commission, the department, the insurance company, because obviously it's in their interest not to have him stay on disability insurance. Hopefully, those continued efforts will come to a suitable resolve.

**MR. J. McCRAE:** Mr. Chairman, turning to the Supplementary Information, Page 23, Reference No. 8, there's an item of "Publications" for \$140,000.00. Can the Minister tell us about that, please?

**HON. E. KOSTYRA:** I'm told that relates to the costs of materials for the courses that are being offered. One that is expensive in terms of material is the one I made reference to earlier, the Kepner Tregoe Problem Solving, and there are significant costs there. But they relate to all areas of publications for the courses: course materials, books, whatever is needed for those courses.

I'm also told that there is going to be instituted a system of cost recovery back to the departments that are sponsoring the employee into the course.

**MR. J. McCRAE:** So when we see the costs recovered from the other departments, the taxpayers will still pay for that. It's just that it's going to be harder and harder to find out where it is. It'll be spread throughout the departments as allocations to the Civil Service Commission.

**HON. E. KOSTYRA:** No, it's not going to be harder to find. It will always show here. All I'm saying is that there would be a cost recovery back to the department, so there'll be an off-setting revenue back to the Civil Service Commission, but the expenditure will still show here. It's a way of better dealing with the demands for that, if the departments have to pay for some of the costs.

**MR. J. McCRAE:** Are the courses offered now a whole lot more in number than before or just in complexity, that they require so much more in terms of courses and materials?

**HON. E. KOSTYRA:** Basically, there are a number of reasons for the increased costs of publications. One is the increased number of staff that are attending those courses. They increased last year by 1,000 participants, and it's expected there'll be an increase this year.

As I indicated, there are some areas of course development that are somewhat more expensive in terms of the manual, like the one example I gave. — (inaudible) — . . . within the staff is indicating that, in a number of courses, just over time the stocks have been depleted of supplies and there are a number of course areas that need restocking. So that is part of that increase also.

**MR. J. McCRAE:** I'd like to discuss for a moment with the Minister the Report of the Provincial Auditor for the year ended March 31, 1985. Do the Minister and his officials have a copy of the reference in that report to the Civil Service Commission, which is at Page 31 of the report? The Minister and I discussed very briefly the matters contained in that report when the report was before the Standing Committee on Public Accounts.

One thing of particular interest to me is the matter of performance appraisals. The Provincial Auditor expressed some concern and some disappointment that the Commission, and I quote: ". . . after several years, still has not issued guidelines for performance appraisals to departments," and the Civil Service Commission is encouraged by the Provincial Auditor to do so in the near future.

I recall the Minister's answer that in some departments the procedure of the performance appraisal was indeed being used, but that no specific guidelines have been brought down by the Civil Service Commission. Performance appraisals, at every level — and the level I am most familiar with would be at the senior levels — can be very, very useful in terms of identifying what it is that senior people need to provide services to the government that are required. It would obviate the necessity to turn to sources outside the government for certain work to be done. It also has a positive effect on morale within the Public Service or indeed in any workplace. Now the idea of the performance appraisal, I believe, is good right from the top down and I wonder if the Minister can shed any light on whether anything has been done recently or since we've discussed it in the Standing Committee on Public Accounts with respect to performance appraisals.

**HON. E. KOSTYRA:** Yes, there has been a number of developments in this area and without being presumptuous, in terms of what the Auditor might say, I think you will find in his next report that he'll indicate some satisfaction with the progress that has been made in the ensuing term since that report. One, and I'll table a copy for the member that there is now established and approved an overall policy for government and I have a copy of it and I will table it for the member to review, but that is the overall policy that was not in place formally until not that long ago, but it has been approved. It took a period of time to develop the policy after being highlighted in terms of a need and extensive consultation with Deputy Ministers and with others, but it is now put together. In fact, the Auditor, I believe, has approved the specific policy and he has reviewed it so there is progress there. But I certainly agree with the comments of the member; we certainly support that and so does the Commission. The Commission will be working with departments to ensure that there is implementation at all levels of the policy.

The other point I would make is that in some of the courses and, in fact, one of the more popular courses is the course on Effective Performance Management, which the Commission encourages managers to avail themselves of. I'll also give him a copy of the Training Cabinet in case he needs anything further out of there.

**MR. J. McCRAE:** Mr. Chairman, I thank the Minister for tabling those documents and also for that answer which is encouraging to see that the Civil Service Commission is responsive to the concern raised by the Auditor-General. But I wonder if, in developing that performance appraisal system — the Minister mentioned that there was consultation. I'd just like to know with whom? The system that I'm familiar with is the one in place in the City of Brandon. As far as I can tell from my short experience with it, it is just really excellent and has turned out some excellent results in terms of productivity and dealings of public servants with members of the public, and almost any aspect you can mention, there has been improvements since the advent of those performance appraisals. And I wonder if the Civil Service Commission has consulted with other jurisdictions that have put such practices in place.

**HON. E. KOSTYRA:** There was significant consultation with the Deputy Ministers, with the personnel directors in all of the government departments. As I mentioned, the Provincial Auditor, the MGEA as the collective bargaining agent, all were consulted before the finalization of the policy. But also either that policy has been officially or formally adopted by Cabinet, so it bears that weight on the system, that it is an approved government policy approved by Cabinet.

**MR. J. McCRAE:** Mr. Chairman, without reading through all this right now, does the policy include staff at all levels of government — excluding, I assume, the Deputy Minister — but does it include Assistant Deputy Ministers and right on down.

**HON. E. KOSTYRA:** Yes.

**MR. J. McCRAE:** Similarly, on the Provincial Auditor's Report, Mr. Chairman, there's a reference to conflict of interest guidelines and, as I recall the Minister's answer, there were no guidelines for certain members of the public service. I might be wrong about that; maybe the Minister could tell me where we're at with respect to conflict-of-interest guidelines for public servants.

**HON. E. KOSTYRA:** There is a guideline and I tabled a copy at committee hearing. I don't know if the member was there or got one but maybe the Clerk would bring some. There is a copy of it. What I indicated, there were some areas that were under review by the Commission with regard to conflict of interest. As a result of some experiences with it we found that two areas need further review. One is in relation to grantings of leave of absence to pursue alternate career opportunities. That was an area that was under review because it seemed that there was the potential for abuse there. Secondly, we're looking at the development of

post-employment guidelines for civil servants that leave the government and engage in other work. So those are the two areas that we felt there was a need to provide some re-look at the guidelines.

**MR. J. McCRAE:** Mr. Chairman, I would like to ask the Minister about certain senior people in the government who for one reason or another are removed from their positions and are involved in what we might call a lateral move to another position, for which there's not as much need as one might hope. I can't give the Minister specific examples but I would like to know what . . . Are people who are moved from one area to another for reasons that aren't necessarily very clear — certainly to the people being moved — are those people given opportunities to . . . What they basically are, Mr. Chairman, is that they're overpaid and underworked, and they're certainly capable of doing more for the government and they're stuck in positions where they're not able to move forward, they're not able to do the useful kind of work that they could do and so that their work is not very fulfilling, and I wonder if the Minister can make any comment about that.

**HON. E. KOSTYRA:** There is a policy in place, and again the member has kind of made a somewhat blanket statement in terms of those areas as to where people may be moved, and there are a whole variety of reasons that enter into changes. They may be due to redundancy where particular positions are declared redundant because a program has wound down, and those people would be declared redundant to that program; they would have to be transferred to other program areas because there has been at least for the present time an agreement not to have layoffs as part of the collective agreement.

There may be occasions because of reorganizations of a department that people are dislocated and have to be transferred or there may be problems with respect to personnel issues as they relate to that individual and that particular department. So those are, I guess, the three broad areas where a person may find himself transferred. The policy that's in place now is there's a protection policy for the individual that a person's salary is protected for two years and their red circled for that two-year period. So if they're moved into a position that pays less, in terms of the classification, their salary would be maintained at the former level, red circled for a two-year period.

**MR. J. McCRAE:** Mr. Chairman, can the Minister table in the House the agreement arrived at between the Civil Service Commission and the Manitoba Government Employees' Association? I think it was June 25 that the document was signed, the job evaluation system under the Pay Equity Program as required by the act. I don't think that's been tabled yet.

**HON. E. KOSTYRA:** Yes, we will table it. The member said it hadn't been tabled previously. There's not a requirement to table that document.

**MR. J. McCRAE:** Mr. Chairman, I realize there is no legal requirement for tabling in the House. We did ask the Minister of Labour, I believe, earlier this Session,

after the announcement that the agreement had been arrived at. He did give us, I believe, his undertaking to consider the matter. He did remind us that it wasn't a necessity for him to do that. If the Minister is tabling that today, I appreciate that.

I think, Mr. Chairman, as far as I'm concerned, I'm prepared to pass on to the next item.

**MR. CHAIRMAN:** 1.(b)(1) Human Resource Management Services: Salaries—pass.  
1.(b)(2) Other Expenditures.

**MR. J. McCRAE:** Mr. Chairman, I'm sorry, I did have a group of questions that I wanted to ask.

I'd like to ask the Minister what the average salary is at this time of a public servant in Manitoba?

**HON. E. KOSTYRA:** Approximately \$27,000.00.

**MR. J. McCRAE:** The number of public servants as listed in the back of the annual report would be approximately 17,800, in that range?

**HON. E. KOSTYRA:** Yes, the information is as there, other than the information I believe that I provided the member with in terms of the netting out of reductions and SY's this year and increases some weeks ago.

**MR. J. McCRAE:** About 17,000.

**HON. E. KOSTYRA:** Yes, which was about 100 and something.

**MR. J. McCRAE:** I'm interested in the Affirmative Action Program, Mr. Chairman, what progress has been made. When did the Affirmative Action Program commence in this province?

**HON. E. KOSTYRA:** I'll see if I can find the date. It would be back, I guess, a few years ago. I should point out, just so the member understands, that the responsibility for affirmative action doesn't rest with me as Minister of the Civil Service Commission. It rests with my colleague, the Minister of Labour. He is the lead Minister in terms of affirmative action in the government. So some of the broader questions may be best placed to him because I may not provide the kind of response that he would be able to provide. There is a central committee that functions along with an affirmative action coordinator in the Department of Labour that deals with it.

The role of the Civil Service Commission has been to provide a variety of central support systems to the initiatives that are led through the Department of Labour. They started in June of 1983 and was amended about two years ago. It started in June of 1983 containing women, Native and handicapped which was expanded in about 1985 to include visible minorities.

**MR. J. McCRAE:** Mr. Chairman, perhaps the Minister can instruct me. If I have questions about the target ratios for these various groups in the public service, those questions would be better directed to the Minister of Labour, under his Estimates?

**HON. E. KOSTYRA:** Yes, that would be best directed to the Minister of Labour.

Tuesday, 15 July, 1986

**MR. J. McCRAE:** I believe last year the Minister of Labour was also in charge of the Civil Service Commission and answered those questions at the time of discussion of the Civil Service Commission Estimates. He must have been doing that off the top of his head so that this year he's in the House and I'm giving him notice that when it comes time for Labour Estimates I'm going to be asking some questions about that.

That kind of knocked the wind out of my sails, Mr. Chairman. I had a few questions lined up for that.

Similarly, for contract employees, I understand they're not hired by the Civil Service Commission. If I was to ask questions about the number of contract employees, would that question be best asked here?

**HON. E. KOSTYRA:** The Annual Report on Page 55, as part of Table 2, the figures are shown here. As of December 1985, there were 104 contract employees, which was down about 24 from the year previous. The majority of the contract employees, approximately 50 of them, are contained in the new Careers Program. The general practice with respect to contract employees is that they are most commonly utilized in two ways within the Civil Service. One is to acquire a specific set of specialized skills or knowledge to undertake a specific assignment of limited duration or, secondly, to employ certain types of employees for training purposes. An example, the New Careers, which makes 50 of that 104 articling graduates in the Department of the Attorney-General, Department of Employment Services and Economic Security where purpose of employment is to provide training opportunities, but there is not necessarily a commitment of employment after and that makes reference to the New Careers. So that's a general picture.

**MR. CHAIRMAN:** 1.(b)(2)—pass; 1.(b)(3) Less: Recoverable from Other Appropriations—pass.

1.(c)(1) Career Development Program: Salaries — the Member for Brandon West.

**MR. J. McCRAE:** Mr. Chairman, I think the Minister answered earlier about the change in the staff years on this one, so . . .

**MR. CHAIRMAN:** Are we ready to pass this one?

**MR. J. McCRAE:** I will just ask a question about publications again. This is the Career Development Program, and I take it this is also the part of the training and courses that are held. We're looking at quite a decrease in the amount spent on publications in this one. So maybe I'm wrong about that. The Minister can explain.

**HON. E. KOSTYRA:** The publications were published in sufficient quantities that there was less of a need this year.

**MR. CHAIRMAN:** 1.(c)(1)—pass; 1.(c)(2) Other Expenditures; 1.(c)(3) Less: Recoverable from Other Appropriations.

1.(c)(2)—pass; 1.(c)(3)—pass.

1.(d)(1) Temporary Assignment Program: Salaries; 1.(d)(2) Less: Recoverable from Other Appropriations — the Member for Brandon West.

**MR. J. McCRAE:** I'd like to know who it is who are on temporary assignment; the names of the people involved. I understand it's only a few.

**HON. E. KOSTYRA:** Yes, there is a staff of seven positions which are made available to TAP. Only the staff years are here. The salary costs are paid for by the departments that utilize those people. At the present time, there are five individuals on specific assignment.

Gary Smith, who is an Economic Development Consultant 4, is assigned to the Department of Industry, Trade and Technology as a senior consultant to health industry initiative, which is dealing with a development initiative to provide marketing and feasibility advice to potential investors. He's also developing something called the emerging needs of a segment of the health care sector.

It's sometimes difficult when members opposite distract members, but when it's one of your own benches that distracts a member, it even makes it much more difficult to deal with.

**MR. CHAIRMAN:** Is that part of the record?

**HON. E. KOSTYRA:** Allan Barker, who is also an Economic Development Consultant 4, who is assigned to the Department of Industry, Trade and Technology to develop a standardized system for project appraisals related to investment opportunities in Manitoba.

Alex Pursaga, who is also the same classification in the same department, and he's doing a review of investment opportunities with respect to the service sector in Manitoba.

Roberta Ellis-Grunfeld, who is a Senior Officer 3, she is also the one who has been appointed Pay Equity Commissioner since October 1986, assigned to the Commission, working on a full-time basis, to implement pay equity in the Civil Service.

Ron Johnston, who is a Senior Officer 6, assigned to the Attorney-General's Department to assist in organizational reviews related to the operations of the Attorney-General's Department.

There are two unassigned positions at the present time.

**MR. J. McCRAE:** Mr. Chairman, I apologize to the Minister if I seemed a little less than attentive, but his colleague, the Minister of Labour, was over to have a wee discussion with me.

It reminds me of the time recently when the Member for Thompson was making a speech. At that time the Member for Thompson and I were at odds over an issue here in this House and the Minister of Health came over and sat down beside me over here and kept me busy for the whole time that the Member for Thompson was talking. I didn't get a chance either to listen to him or to heckle him, so I was on my very best behaviour.

In this case, I wasn't able to heckle anybody because the Minister of Labour was here keeping me busy.

I realize, as the Minister of Finance says, that that strategy shouldn't happen in the Estimates procedure and I agree with him. I basically wanted just to get that information on the record; so I thank the Minister for that information and I will pass it.

**MR. CHAIRMAN:** 1.(d)(1) Temporary Assignment Program: Salaries—pass; 1.(d)(2) Less: Recoverable from Other Expenditures—pass.

1.(e)(1) Labour Relations Services: Salaries — the Member for Brandon West.

**MR. J. McCRAE:** Mr. Chairman, on Page 41 of the annual report of the Commission is set out the agreement presently in operation between the Civil Service Commission and the Manitoba Government Employees Association. One of the provisions of this three-year accord is a no-layoff clause.

I wonder if the Minister can tell us to this point in the contract how many employees of the government have been protected by that clause. Is that possible to determine?

**HON. E. KOSTYRA:** I will not be able to give a detailed response to that. I'll give information that we have with respect to the issue, but it'll mean going back. I would just provide the member with some further information if he is not aware.

This provision is in this collective agreement which we are now in the second year of the agreement. It was actually a provision that came into play a year prior to that when the agreement was renegotiated and a salary decrease affected. The same time that took place there was a provision for a no-layoff clause. So we don't have that information in terms of the background in terms of the total numbers.

The total number would be those that would be impacted because of reductions in departmental programming. The SY's were declared redundant. So that would be the total amount of employees that are protected. The ones that have not been redeployed into existing positions, well, redeployed in departments to date, and according to the annual report on Page 25, it states in there at that point in time, in terms of the annual report, there were 28 employees that at the end of the annual report were not redeployed at that point in time. They were in the process of some retraining.

In terms of this year, I can't give the specific figures, and it relates to what I gave the member before. There were 204 staff reductions which would be the positions that would be covered by the agreement. Not all those positions were filled at the point in time. So in terms of the actual number of employees that would be protected this year due to the no-layoff clause would be something less than that.

In the end, I think we're dealing with a handful of employees that have not been redeployed this year. So I kind of come at it in some detail, but you can't just simply take the figure of 204, as an example, because those were SY's that were reduced, not all those positions were occupied. At the present time, taking this year as the example, there are less than seven. I'm told progress has been made. We're down to three individuals who have not been redeployed since I last reported to the member.

**MR. J. McCRAE:** Mr. Chairman, I think what the people in the province would be looking for is that if a job has become redundant and there is a no-layoff clause, that the most effective use be made of the person

occupying the position that has become redundant and the first thing that comes to my mind is the Temporary Assignment Program. Surely, there are departments crying out for help and others who have staff that are redundant.

I think the Temporary Assignment Program is probably a very good idea. I would like to see people whose jobs have become redundant and yet they still occupy certain positions, I would like to see the people employed in meaningful work. Maybe there are some places where meaningful work can be found for those people. The next question was going to be, well, what is it really costing us if we have people in positions that are declared redundant. But if it's such a small number, it really doesn't very much matter if those people have been effectively redeployed.

I'd like to talk about the bonus week of vacation for the year 1985-86. At that time, Mr. Chairman, I was a public servant and I enjoyed my week, but there were an awful lot of people left behind who weren't very happy when their workmates were gone for that extra week. In other words, there was a whole week of public service work that was left in that year times what — 17,000, or whatever the number was then. So that's 17,000 weeks of work not being done. Now in many cases, the people returned to their work to find the work piled up.

Is that really what a vacation is? You come back, and I know we all have had this, that we come back and the work is still there, it's just that we haven't done it for a week. You know, it might have been good bargaining on the part of the Commission, but as a public servant and as a member of the public, I wonder about the wisdom of taking that route again. I just put a couple of those concerns on the record.

I know that in the courthouse in Brandon, for example, with all these extra weeks it was pretty tough slogging to get through that summer when people were taking extra time off, when we weren't provided with the help that we needed to get the jobs done. So it's not necessarily the greatest idea. It may have been the most expedient way to go in order to arrive at a settlement in that case. But everything that has an up side also has a down side, and I just bring that to the attention of the Minister.

I would ask what that cost, the weeks vacation, for that year?

**HON. E. KOSTYRA:** I just want to respond quickly to a couple of areas. One, in terms of the no layoff clause, actually there's been a great deal of success in redeployment. One of the effective measures has been the no layoff clause, because some of that normally takes place through redeployment but, where there are strict provisions like that, it is forcing departments to ensure, when they have vacancies, to look around at their redeployment list and, to the greatest extent possible, do the shifts within government that, if there was an overall growth, I don't think we would necessarily see happening. So in some ways, that's forced some more efficiencies in dealing with that within the system and a better use of employees. In fact, I've been surprised at how well that has gone, given the major changes. This year wasn't significant, but the two previous years there were quite a number of positions dislocated.

In terms of the member's question, there are certain efficiencies that develop with that exercise. I recognize what the member is saying, and there are certain areas that are very difficult to deal with. But overall, we find that there are some efficiencies and increased productivity out of the fact that employees do get away for that extra week and, when they do come back, they're able to absorb more work than if they didn't get the week off. There were certain improvements in productivity.

To answer the question specifically, a weeks vacation is equal to 2 percent of payroll. If every person who took a weeks vacation was replaced, the actual cost of that additional week last year as we've estimated is approximately .6 percent. So there was only a need to replace or provide additional support in basically less than a third of the instances of where employees were taking that extra week.

Obviously, in some areas of the staffing, whether it's guards or station engineers in power plants, you can't have everybody gone. You have to replace them. You have to have at least one person or a number of people on a shift. But that was the cost associated with paying for that, what it actually cost the Treasury for that increased vacation.

Again that was a subject of negotiations. The government's concern, on one hand, was to minimize the costs of any wage and collective bargaining settlement. Of course, his union at that time, its effort was to get the best benefit possible for the member. So it was as part of that negotiating process, to provide some increased benefit at the lowest possible cost to government, that particular compromise came about.

**MR. J. McCRAE:** It just goes to show, Mr. Chairman, that the union doesn't always satisfy every member in the union.

I'd like to ask about the provision for 35 cents extra per hour on Saturdays or Sundays. That's in addition to time-and-a-half or double time-and-a-half, or what is that?

**HON. E. KOSTYRA:** That isn't in addition to overtime. If somebody who normally works Monday to Friday is required to work on a Saturday, he would get overtime but would not get the shift premium for weekend work. That is only people who are regularly scheduled to work, or people who go onto a shift that includes Saturday or Sunday.

**MR. J. McCRAE:** The rest of my questions might take half-an-hour or a little more. It might be better to start it, if we could move onto the next one at eight o'clock, if that would be suitable to the Minister. We'll pass this one.

**MR. CHAIRMAN:** 1.(e)(1) Labour Relations Services: Salaries—pass; 1.(e)(2) Other Expenditures—pass.

Resolution No. 26: Resolved that there be granted to Her Majesty a sum not exceeding \$4,311,100 for Civil Service, Civil Service Commission, for the fiscal year ending the 31st day of March, 1987.—pass.

What is the pleasure of the committee? We cannot rise.

**HON. E. KOSTYRA:** I would suggest that the committee adjourn for approximately three minutes.

**MR. CHAIRMAN:** Three minutes adjournment? It's almost 4:30.

**HON. E. KOSTYRA:** The other committee is still meeting. I don't think we can call it 4:30.

**MR. CHAIRMAN:** Order please. We are still in Committee of Supply. The hour being 4:30 p.m., it's time for Private Members' Hour. I am interrupting the proceedings of the committee, and we'll return at 8:00 p.m.

Call in the Speaker.

**IN SESSION**  
**PRIVATE MEMBERS' HOUR**  
**RES. NO. 18 — CANADA-MANITOBA**  
**AGREEMENT AND UTILIZATION OF**  
**PORT OF CHURCHILL**

**MADAM SPEAKER:** On the Proposed Resolution No. 18, the Honourable Member for Thompson.

**MR. S. ASHTON:** I move, seconded by the Honourable Member for Elmwood, that

WHEREAS the Canada-Manitoba Agreement on Churchill, signed in April, 1984, clearly establishes the importance of the Port of Churchill to Canada; and

WHEREAS Churchill plays a major role as a complementary port for grain export within Canada's total port system; and

WHEREAS the Subsidiary Agreement identified specific programs to further enhance the economic viability of the Port; and

WHEREAS subsequent independent studies have clearly established the economic advantage of shipping grain through Churchill, particularly volumes of throughput over 650,000 tonnes; and

WHEREAS the future viability of Churchill is contingent upon the full implementation of the Subsidiary Agreement programs and commitments; and

WHEREAS extension of the shipping season utilizing available technology would increase the economic viability of the Port; and

WHEREAS Lloyds of London Marine Underwriters and Canadian Underwriters have indicated a willingness to lower insurance rates and extend insurance coverage past the established insurable season; and

WHEREAS Churchill is of strategic importance from the standpoint of sovereignty consideration, health referral, scientific research, education and tourism development.

THEREFORE BE IT RESOLVED that this Assembly demand that the Federal Government proceed with the expeditious implementation of the Subsidiary Agreement initiatives; and

BE IT FURTHER RESOLVED that this Assembly request the Federal Government to cooperate with the Province of Manitoba in the further planning and development of programs designed to increase economic activity at Churchill, and over the Hudson Bay Route; and

BE IT FURTHER RESOLVED that the Federal Government be urged to ensure that a minimum grain throughput of 650,000 tonnes flow through Churchill in 1986, with larger amounts in subsequent years; and

BE IT FURTHER RESOLVED that the Federal Government be urged to instruct Canadian National Railways and Canadian Pacific Railway to enter into an unencumbered interchange agreement so that all grain originating in the Churchill catchment area may have access to the nearest and lowest cost port at Churchill, and that the rates from Canadian Pacific Railway points be based on a single line through continuous mileage in accordance with the rate scale set out in the Western Grain Transportation Act; and

BE IT FURTHER RESOLVED that this Assembly request the Federal Government to assist in the extension of the 1986 shipping season by a minimum of four weeks.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Member for Thompson.

**MR. S. ASHTON:** Thank you, Madam Speaker.

This is not the first opportunity that I've had to introduce a Resolution in this Legislature in regard to the Port of Churchill. Given the history of the port and the many struggles that have gone into trying to get fair treatment for the port, I suspect it may not be the last. I'm certainly pleased to be able to raise the question of the Port of Churchill, once again, Madam Speaker, for debate in this Legislature.

I've got a particular interest in the port and I know I'm not alone in this Legislature; I know there are many others who have an interest as well. I state my interest quite categorically. As a northerner, I think the port is vital to the future development of Northern Manitoba; as a Manitoban, I think it's vital for the economic development of our province; and I think as a westerner, too, it's something that's important for our region. I think the importance of the port goes far beyond our own boundaries here in Manitoba.

As I said, Madam Speaker, Manitoba's Port of Churchill has had an interesting history; there certainly have been many struggles so that the port will get fair treatment. I must say that, in recent years, the pressure toward getting the port fair treatment has received a great deal of momentum. I think that momentum culminated in the sub-agreement of 1983 which was a federal-provincial agreement to provide \$93 million for the upgrading of the port, port facilities, and for the development of boxcars for the rail line, and a hydro line for the use of the port.

I think the reasons why both the Federal and Provincial Governments committed themselves to this agreement are fairly obvious, and that is that the port can be very important, both strategically, and also in terms of efficiency. The fact is that the Port of Churchill could serve a catchment area which would result in 25 percent of the grain that is produced in Western Canada being in that catchment area — 25 percent of the grain is in the Churchill catchment area, which includes part of Manitoba, a small part of Alberta and a fairly significant part of Saskatchewan.

I think the port has use, both as a regular port and also as an emergency port, where other ports are not available. Certainly in recent years we've seen examples of where other ports; other seaway systems have been

out of operation for a considerable period of time. I think that's an area where the Port of Churchill could play an important role.

The problem with the port is that it's underutilized. In fact, last year it lost \$2.5 million. But it's not because the port can't be efficient, Madam Speaker; it can be. The reason that the port lost \$2.5 million was the fact that only 360,000 tonnes of grain were shipped through it. That compares with an estimated 600,000 tonnes which would be needed for break even, and 750,000 tonnes which would allow for pay back of much of the investment that has taken place in the port over the last couple of years and is continuing under the sub-agreement. So, the port can be efficient, in terms of the management of the port, itself.

It can also be advantageous for grain producers. In fact, Madam Speaker, I'd like to table in the Legislature a document that lists a cost comparison on a per tonne basis between Churchill and the St. Lawrence which indicates, Madam Speaker, that the total costs of shipping through Churchill are approximately \$62.40 for a tonne compared to \$83.46 through the St. Lawrence Seaway. So certainly, Madam Speaker, the port is efficient in terms of the actual costs of shipping grain through that port.

Given the fact that it is efficient, both in terms of the management of the port, given the fact that it could result in savings to farmers because of those transportation costs, the real question arises as to why the port has had difficulty in achieving the recognition that it deserves. I think the answer is quite clear, Madam Speaker. There are and there have been some problems that affect the operation of the port, most specifically in regard to the shipping season.

But, Madam Speaker, there has been a great deal of progress in that regard in recent years. I, for one, give credit, Madam Speaker, where credit is due, and that is to our Minister of Highways and Transportation because he's taken a lead role in expanding the Port of Churchill, expanding the shipping season. Specifically, Madam Speaker, in pushing for the development of ice-breaking technology to be used on the Churchill run and also most recently in persuading Lloyd's of London to adjust its insurance premiums.

Madam Speaker, that is something I would like to highlight because it's quite a significant breakthrough. The previous system, Madam Speaker, for shipping between August 15 and October 15, which is the open water season, was that rates were 30 percent to 50 percent as compared to the 15 percent that they will be under the new arrangement that has been reached.

Madam Speaker, just to give you some other indication of how significant that is, under the new system, a non-ice strengthened ship would pay approximately \$28,000 for insurance compared to \$57,000 under the previous rates. So it's a significant breakthrough and, as I said, Madam Speaker, due in large part to the fact that our Minister went directly to Lloyd's of London and pointed out to them that the change was logical and could be defended in terms of the recent developments in terms of technology.

So, Madam Speaker, there have been some problems, but those problems have been overcome. The real problem though, Madam Speaker, is that the power of the vested interests that are against the use of the Port of Churchill have been marshalled on regular occasions against that court.



I'd like to cite for example the Grain Transportation Committee, which released a report, which I think our Minister and the Port of Churchill Development Board — of which I am a member — quite accurately described as being biased and inaccurate; and the problem, Madam Speaker — and I don't have time to go into some of the inaccuracies in that report — the basic problem was the fact that the representation on that committee was of those vested interests once again.

Madam Speaker, there also I think has been something of a political problem. I don't think it's a political problem in this House, in terms of opposition to the port. I really feel, Madam Speaker, that most members opposite, if not all of them, support the use of the Port of Churchill. I think they are somewhat misinformed, however, Madam Speaker, about why the port has not received sufficient attention from the Federal Government. I note the fact the Member for Arthur on Thursday, the 10th of July, 1986, said — in fact, he accused the Minister of Highways of wanting to turn around and hammer bash the Federal Government in regard to the Port of Churchill, and suggested that it was the Federal Conservatives who were developing the Port and that the previous Liberal Government wanted to close it.

Well, Madam Speaker, the previous Liberal Government did not want to close it. They did sign the sub-agreement and I would say that certain parts of the present Federal Government do support the Port of Churchill. But that support, Madam Speaker, unfortunately has not been unequivocal, and I would quote from the fact that recently a government spokesperson was quoted quite extensively in the *Globe and Mail*. It was, in fact, in an article of May 5, 1986, in which Thomas van Dusen, Madam Speaker, said, and this is in quotation in regard to the present Federal Government. "It was money we were reluctant to spend because we knew it was hard to justify, but the (Liberal) commitment was there. It is a problem that repeats every day."

So, Madam Speaker, there is a problem in Ottawa. There are some people who do support the port; but there are some people, however, who clearly are opposed to its usage. I note for the members opposite that it's not just civil servants who made such statements. Jack Murta is on record and has consistently been on record in opposition to the development of the Port of Churchill.

Now I raise that, Madam Speaker, not to criticize the members opposite, because I said before, and I will say it again, I truly believe that many members on that side of the House do support the Port of Churchill. What I'm suggesting is that they take that support and that they work alongside those of us who are pushing for the development of the Port of Churchill and pressure the Federal Government to live up to its commitment signed in 1983 to the Port of Churchill.

I would point out for members opposite that we had received support from the two other western provinces, both through the Port of Churchill Development Board which is composed of representatives from all three provinces. We received, Madam Speaker, support from the Saskatchewan Premier, Grant Devine, who on May 29, 1986, issued a news release calling for the expansion of the Port of Churchill.

We have received tripartisan support, Madam Speaker, and I feel that there is broad support for the port in many areas of Western Canada. What we need to do is go beyond the lobbying that we have done in the past, go beyond those partisan boundaries and take our case directly to the Federal Government. I'm urging the members opposite to use their contacts in Ottawa with their federal counterparts to make sure that we don't have further comments by Conservative spokesmen such as Thomas van Dusen, that we do have unequivocal support for the Port of Churchill.

So, in conclusion, Madam Speaker, let me say this. The Port of Churchill has a great deal of potential. The Port of Churchill is an efficient port. It's efficient in terms of management; it's efficient in terms of producers. What we need now, Madam Speaker, is a clear and unequivocal commitment to that port by the Federal Government and that's the message that we have to send today. We want them to live up to their commitments and we want that Port of Churchill development.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Minnedosa.

**MR. D. BLAKE:** Thank you, Madam Speaker.

This is a somewhat lengthy resolution. I probably would have felt a little better if it had been condensed considerably. You get a little lost in the whereases because there are about a dozen of them involved in this resolution.

But the Member for Thompson who has brought this resolution in, Madam Speaker, is bringing in a resolution that contains a great number of motherhood resolutions. I don't think you'll find on this side of the House, Madam Speaker, any that don't support the extended use or the maximum use of the Port of Churchill. Many of us who have spent time in the North and have visited Churchill on many occasions will certainly agree that's a facility that's useful. It's unique in the fact that it's Manitoba's, the Western Province's only inland port, saltwater port. I think there are a great number of benefits to the grain farmers, particularly in Western Canada.

But, in order to make that port, I think, viable, we have to find some way to encourage two-way traffic throughout and when you get into that operation, Madam Speaker, you're going to require warehousing facilities of some type at the other end if you're going to bring in — it's a poor example used, but say — scotch whiskey from Scotland where they are noted for turning out relatively fine brands, you're going to have to store that product somewhere at the other end until proper transportation is arranged to get it out and get it into a distribution system.

But the only part of the resolution I feel is maybe a little heavy-handed, Madam Speaker, is some of the urging and demands that are made on the Federal Government.

The Member for Thompson mentioned the Canada-Manitoba Agreement, Madam Speaker, that this agreement apparently had not been fulfilled, but I understand from the Department of Transport in Ottawa that 23 of the 23 projects have now been fulfilled. The

Canadian Wheat Board determines the amount of grain that's going to be shipped through the port, so that body has to be encouraged to provide the proper atmosphere and the proper encouragement to the grain trade.

The review of the WGTA made reference to the shipping of grain by rail to Churchill. That's been done and the review is being released and it's going to be studied by all parties. Transport Canada have indicated to the Government of Manitoba that they would assist in the extension of the Churchill shipping season to the extent that safety and resources would permit. The Minister has already indicated to us that the insurance rates with Lloyd's have now been adjusted or reduced to make it a little more attractive and that is something that comes out of the agreement. I think Transport Canada has had full consultation with the provinces, with the shippers and the carriers, to the extent of the economic regulatory reform, so they come up with a "Made-in-Canada" policy.

Also the new regulations that are coming out in the trucking industry is being studied and may have some influence on the size and quality of those entering that particular market. The increase access for captive shippers, there's been a final offer and there's full consultation with all parties on that, so I think the Federal Government, contrary to some of the statements we've heard from members opposite, is interested and are fulfilling their commitment to the port.

But, Madam Speaker, the costs of shipping through the Port of Churchill has been subject to various arguments from time to time. In order to encourage a larger tonnage of shipment through the Port of Churchill, I would urge members on that side of the House to probably lobby the various pools. The Manitoba Pool Elevator Association has not been supportive of the Port of Churchill and they carry a pretty strong voice in the farming community. I think some encouragement to enlist their support would be most beneficial.

The catchment area is largely in Saskatchewan and part of Alberta. There's not too much of that area in Manitoba that grain would have a natural advantage to go through the Port of Churchill. I think along those lines the Hudson's Bay Route Association have been a very strong and a very active voice in promoting the Port of Churchill. I know several members on this side of the House have been members of that association over the years and have been strongly encouraging greater use of the port.

There was a statement tabled just awhile ago by the Member for Thompson, Madam Speaker. I haven't had a chance to look at it to check some of the costs, but on my last tour of the port, some of the port authorities indicated that while they could justify the shipping rates, it was cheaper to ship a ton of Saskatchewan grain through that port, as compared through the Thunder Bay facilities — I think it was \$60-some a ton compared with \$80-some through Thunder Bay that the member mentioned recently. But the port people I talked to on my last tour of the facility, there was that the cost of handling it at Churchill — (Interjection) — 1980, when were we last in government, 1981 — I haven't been able to afford to get up there since. I think the costs of handling the grain there was something they couldn't compete with as far as the costs of handling at Thunder

Bay, \$2.76 a ton compared with \$1.32 or whatever the figures are. That was one of the deterrents.

When the Hydro line is completed at Churchill that should be a great step forward in reducing some of their handling costs because their power rates were extremely high and this was adding to their handling costs.

The roadbed into the port has been a problem for years with the type of muskeg and permafrost that they have. They have had some difficulties with maintaining and stabilizing that roadbed. The Federal Government has joined with the Provincial Government in developing a lighter hopper car that may be more useful on there. We hope that they do the job they're being designed to do and possibly encourage the operation of Churchill to full capacity and not about half capacity, such as it was.

I think it's been proven that the season can be extended. It would help if considerable more millions were spent there to possibly bring an icebreaker and facilities like that to provide a little more safety in the extension of the shipping season, but I don't think there's any problem with support of the idea of shipping grain through Churchill and encouraging two-way traffic out of Churchill as being beneficial to Manitoba and, indeed, to all of the western provinces.

But as I mentioned, Madam Speaker, that is the main employer, the main activity there, outside of some of the research facilities that are going on. It's just unfortunate that Churchill was not maintained, if not as a military base, certainly as a main supply base for Canada's North, because I think that would have provided a tremendous amount of employment and amount of traffic that would have maintained, not only the airport there, but possible some of the military facilities.

I would hesitate to say that the military should have been maintained there, that possibly testing of nuclear weapons and things like that might have gone on there to provide employment and boost the economy of that area, but it was something that, had that military base been maintained — (Interjection) — I said I wasn't advocating that, but it's something that probably could have gone on if that military base had been maintained there. That was when Churchill was really at its busiest period — at any time that I was there — to have been there then and to go to Churchill now, there's just no comparison, Madam Speaker, in the activity of that area.

**MR. A. BROWN:** How about a road to Churchill?

**MR. D. BLAKE:** My colleague, the Member for Rhineland said maybe we should build a road to Churchill and there are many advocates of that. Someday I suppose, if the Lord spares us, Madam Speaker, we may live to see a road into Churchill. I don't know how fast we'll get it hard surfaced, but someday we may see a road to Churchill. — (Interjection) — I agree with the Minister of Highways. He said, "If we had a road to Churchill, we'd see the rail rates go down tremendously," and there's no doubt about that.

The resolve that the Federal Government be urged to ensure that a minimum grain throughput of 650,000

tons flow with greater amounts in subsequent years, that's very desirable, Madam Speaker, but there's an awful lot of economic factors that prejudice this. We could have a crop failure in Saskatchewan, Alberta and Manitoba, heaven forbid. It could happen, where there's not enough grain in the catchment area to run it through Churchill and it wouldn't be economically feasible to bring it in from other areas, other than that catchment area that has the natural advantage of flowing through to the Port of Churchill.

But as I indicated earlier, Madam Speaker, that the Federal Government have fulfilled the Canada-Manitoba Agreement. I don't think you'll find too many stumbling blocks there on other propositions that the Province of Manitoba is able to come up with on sharing costs. We all know that a great amount of money has to be spent to bring that port up to first class facilities in their warehousing that the ships can be loaded quickly and move out quickly and, as I say, I think that shipping season can be extended a considerable length of time. That's been proven by the ship that came in late — the name escapes me right at the moment — but a ship that came in late a couple of years ago.

So, Madam Speaker, we hope that the new hopper cars, and with the continued cooperation of the Federal Government in providing funds under the Canada-Manitoba Agreement, continues to see the facility at Churchill upgraded, and we continue to see additional use made of those facilities. But, as I say, to maximize the use of it, it's going to necessitate warehousing facilities that are reasonably costly at the other end in order to store two-way traffic, whatever it may be, goods and services from other areas, where the ships come in with a cargo and take out a cargo of grain. That's the ideal situation, and if we can somehow encourage more of that, I think we'll see Churchill develop and possibly reach the full potential as an active port that we would like to see it reached.

I know there are many others that want to express some views on this, Madam Speaker, so I won't take up my full allotted time. I would just say to the Member for Thompson that I think if he had condensed the resolution somewhat, he might have had maybe a little faster support on this side, but we have no reason not to support the activities of Churchill and the use of that port to its fullest advantage. I'm sure, with consultation and dialogue, that the Federal Government will do whatever they can to assist the Province of Manitoba in seeing the port develop.

**MADAM SPEAKER:** The Honourable Minister of Co-op Development.

**HON. J. COWAN:** Thank you, Madam Speaker.

It's always a pleasure to be able to speak in support of an expanded and enhanced role for the Port of Churchill. It's indeed a pleasure to be able to note the support of I believe all members of this Legislature in the efforts that have been undertaken to ensure that the Port of Churchill does reach its full potential and is utilized fully as a port of some significance for the country.

It's especially pleasurable to be able to provide some comments to this resolution at this time when we are to talk about some very positive initiatives that have

been undertaken during the last few years in order to help Churchill reach that potential. There has been some significant progress made over the last four years in promoting the use of the port and ensuring its full potential is developed and finally realized.

That is the ultimate goal of the present New Democratic Party Government; that is the ultimate goal of the government in this House, I believe, to ensure that we finally realize the full potential of the port. It is a goal that we have supported on this side through the vigorous promotion of the port through aggressive negotiations with the Federal Government and discussions with groups like Lloyd's of London, the Wheat Board and other groups that have some impact on the operations of the Port of Churchill.

You know, four years ago, the New Democratic Party laid out a very specific and comprehensive strategy for the long-term development of the port and for the Town of Churchill as well as for the Hudson Bay rail line and the many communities that lie along it. Our agreement with the Federal Government, which has been referenced much in the debate so far, is now entering its third year of implementation. It calls for over \$93 million to be spent on upgrading port and town infrastructure that will result in the further development of Churchill as a northern major resupply centre for many other northern communities as well as increase the use of the port for import and export shipments.

It also calls for a support and promotion of other industries such as the tourism industry. The elements of that particular agreement, such as the completion of a \$36 million hydro line from Gillam to Churchill, the upgrading of the Hudson Bay line and innovative improvements to the boxcar and hopper car fleet that is used to deliver grain to the port, will result in expanded use over time and a brighter future for the Port of Churchill.

Progress is being made in many areas of the agreement. That is not to say that there have not been frustrations that members of the present government have experienced, particularly in attempting to encourage the full and speedy implementation of the agreement by the other party to the agreement, the Federal Government; but it is to say that that encouragement, that support and some particularly vigorous representations by the Minister of Highways and Transportation has resulted in a better agreement and an implementation that has taken place faster than it would have otherwise.

In respect to our own activities under the agreement, perhaps the most important is the construction of the hydro land line to the community of Churchill. As you're aware, Madam Speaker, that construction is well under way and on schedule. The clearing of the right of way is completed, the erection of the towers has commenced, and the line should be in service as they anticipated in the spring of 1987.

What does the completion of that particular hydro line mean to the community? Well, it means a better quality of life for residents of the community who now will be able to take more advantage of hydro-electric opportunities in their daily lives through electric heating and other uses. It means, as equally importantly, increased opportunities for existing and new businesses in industries. With the hydro line and with the power that will be supplied through that line in a cost-efficient

way, we believe the environment will be improved for the development of new industries that should spring up in the community to take advantage of its natural location and the hydro line power.

Under the provincial agreement with the Federal Government, as well, CNR will be required to develop enough railway rolling stock to carry approximately 750,000 tonnes of grain to the port to at least 1990. Already, I understand approximately 340 boxcars, under that agreement, out of an anticipated 1,000 have been rehabilitated. That particular part of the program is funded equally between the Provincial and Federal Governments and, as I indicated, is intended to result in the rehabilitation, in total, of 1,000 boxcars. That's only part of the rehabilitation and enhancement of the fleet that will ultimately be used to carry grain and perhaps other commodities to and from the port.

As well, the lightweight prototype hopper car has been designed, has been constructed and field-tested on the rail line to Churchill. CNR will also, under the agreement, be undertaking a feasibility study of the manufacture and operation of a fleet of similar lightweight cars based on this prototype. Of course, this fleet, when constructed, would significantly help to ensure the long-term viability of the port by ensuring that the proper cars were manufactured in construction and in use to ensure that the rail line could be utilized effectively.

Finally, in regard to this part of the agreement, it provides for research to deal with problems associated with the fact that the Hudson Bay line runs through many areas of discontinuous permafrost. That discontinuous permafrost has created problems with stabilizing the rail line and the rail bed over a number of years. The research, which is identified in the agreement, will include comparative testing of cryo-anchors and ground-penetrating radar tests and other geotechnical work. That research, when compiled, will hopefully point the way as to how that roadbed can be better stabilized and improved upon, thereby once again improving the long-term viability of the Port of Churchill through a better rail line and transportation system connecting it with other parts of the province and the country.

There are also a number of infrastructure improvements contemplated in the agreement that would enable the loading of the grain at the port to be done even more effectively and efficiently than is the case at present. You will recall, Madam Speaker, that when we last spoke to this resolution, I'd had a bit of a dialogue with the Member for Morris and it was agreed that the Port of Churchill is one of the most effective ports when it comes to unloading grain in an effective and timely fashion, perhaps the most effective in the entire country. The improvements which are being contemplated and, in fact, being completed under the agreement will enhance that ability significantly.

There have also been some infrastructure improvements regarding the asbestos insulation in the warehouse which has been completed. Discussions are now ongoing regarding the dust control system design which is intended to improve the working environment in the port. I must add, however, that there is some concern now with some delays in implementing that particular portion of the agreement. However, again with encouragement and perhaps some necessary

pressure from the Provincial Government, from the Minister responsible, we're certain that work will be undertaken.

**A MEMBER:** How much is the province kicking in?

**HON. J. COWAN:** The member opposite asks, how much is the province kicking in for the agreement? Overall, it's my understanding that the agreement calls for over \$55 million of provincial funds and \$38 million of federal funds. So it is an agreement that the province is participating in to, I think, more than its fair share. And we don't begrudge the fact that we are providing that sort of assistance above and beyond what the Federal Government is doing but we do want to make certain that when we have that sort of investment in an overall comprehensive agreement, that the Federal Government is maintaining their end of the bargain and proceeding as quickly as possible with implementing their side.

The elements of the agreement which are particular to the province alone, such as the construction of the hydro line, as I indicated earlier, are on schedule. And we think that when you have an agreement of this nature and this magnitude it is important to set out a realizable and a workable schedule and maintain it to the extent possible. That's all we ask of the Federal Government. We ask no more than for them to live up to the agreement to the bargain they struck when they entered into a Federal-Provincial agreement regarding the Port of Churchill. And they are doing some things. The design work for the necessary dredging for the berth at the port has been completed. Divers have surveyed the work and it's my understanding that the dredging will actually take place in the near future. The contract for the dredging should be awarded very soon as a matter of fact.

The \$2.5 million contract for the construction of a new tug has been awarded to Riverton Boat Works. Construction of the tug is under way and it's scheduled to be completed in the very near future. Again, the tug we hope we put into operation for the 1986 shipping season, we believe that that new 25 metre, 2,600 horsepower tug will be able to provide better service during some ice conditions.

It's our understanding it'll be able to penetrate 6 inches of blue ice and 12 inches of slush ice which will enable the port to become even better utilized. We think those are all positive developments.

On the other hand, there are developments that have not taken place in the timely fashion that we would have liked and the timely fashion that was contemplated under the agreement, and that is where our criticism — and I believe it is justifiable criticism of the Federal Government — lies, that they have not attempted to expedite the matters under the agreement in a manner to meet the schedules which were thought out, I think well thought out, in the beginning of the agreement and which were agreed to.

Finally, in regard to the Federal-Provincial Agreement there are a number of studies for the development of Churchill's overall potential. They are now in varying stages of progress. Six studies will examine the long-term economic potential in resource development, tourism and resupply for the port and community of

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Churchill. These include studies in the economic feasibility of an extended season, the potential for import and export of commodities other than grain, the potential for extended resupply operations through tug barge and the air resupply, and the potential for expanded tourism. When completed and put together, these studies should provide valuable insights as well as an overall long-term strategy as to what is the actual potential of the Port of Churchill, the community of Churchill and how can we best realize it.

It's also important to highlight that a major milestone, and I underscore the word "milestone", has just been reached in regard to an extended season. I guess it was about a year ago that the Minister of Highways and Transportation and myself met with representatives of Lloyds' of London when they were in Churchill; they were invited by the Minister to come and look over the port and look over the general area. At that time we encouraged them to reconsider some of the more restrictive aspects of their insurance policies regarding ships utilizing the Port of Churchill.

Just recently we were pleased to announce that following that and other meetings between Lloyd's of London and the Minister of Highways and Transportation and his staff, the Churchill Clause, what has commonly become to be known as the Churchill Clause regarding hull insurance premiums has been significantly amended.

I also want to point out that the Minister of Highways and Transportation, on behalf of the present Provincial Government, has earned perhaps the best reputation of any Minister — and that's not to take away from any other Minister who's held that portfolio — of any Minister in regard to his promotion and support of the Port of Churchill, and I believe that's a well deserved reputation.

That amendment regarding Lloyds' of London and the more reasonable insurance rates that flow from it should mean that ship owners and captains considering the use of the Port of Churchill for grain transportation will be further encouraged to do so through less expensive insurance rates. So significant progress, indeed many breakthroughs have been made during the past four years. Of course there have been times when the people of Churchill and residents of the bayline communities would have liked to see that progress and those breakthroughs occur more quickly. Indeed the Provincial Government at times has been frustrated with the Federal Government's implementation of their part of the agreement.

We have been concerned with some comments by spokespersons for the Conservative Government in Ottawa when they speak disparagingly of the port and the Federal-Provincial Agreement. However, bearing that in mind, all in all progress is being made, that progress speaks well to the future of the port.

We're also very concerned by the recently announced cutbacks by CNR in the North. We believe that these staff cutbacks are inappropriate and potentially dangerous but, more than that, they are inconsistent with the overall intent of the Federal-Provincial Agreement. And for that reason, the Minister of Highways and Transportation, on behalf of Northern representatives and the entire government, has made strong representation opposing those cutbacks and will continue to do so on behalf of, not only the Provincial

Government, but residents of affected communities like Churchill, Gillam, Pikwitonei and others.

So while progress has been made and the fights continues, it has not been yet completed. I believe that the activities of the past four years and the significant breakthroughs that have occurred and the continuing progress speak well for the vision that we all share of the Port of Churchill, and will result in an expanded and enhanced port and make that vision at long last, a reality.

**MADAM SPEAKER:** The Honourable Member for Niakawa.

**MR. A. KOVNATS:** Thank you very much, Madam Speaker. I am most pleased to join in the discussion on the Port of Churchill. I have lived in the North, I have visited Churchill and I think that we all have to have some sort of a feeling and understanding of what Churchill is about. I am a little disappointed in some of the discussion that I have heard inasmuch as we are discussing the "Little Jack Horner Syndrome," whereas people are taking credit for things that they don't deserve to take credit for. I think, when we talk about the "Little Jack Horner Syndrome," about how he sat in a corner eating his Christmas pie and put in his thumb and pulled out a plum and said what a good boy am I, this is what I've been hearing about how good a boy the Minister of Highways is; how he has gone to Lloyd's of London and how he has discussed with Lloyd's of London the reduction of insurance rates on ships that carry grain out of Churchill. I think it's a very laudable thing that you have done, except that I don't think that we can keep standing up and saying, look how good I am. We have other responsibilities.

How many ships is it going to bring into Churchill? Maybe none, maybe some, but it's really not that important. It's important that it does contribute to the Port of Churchill, but we've got to put everything in perspective.

I think that it's about time that we quit condemning the Federal Government for things that allegedly they haven't done. The Federal Government is fulfilling their commitments under the Canada-Manitoba Agreement. I'm not here to protect the Federal Government. They're the big boys; they can look after themselves. But it's about time that we accepted the responsibility that people elected us to do, the responsibility of the development of Churchill.

I look at what's happening up in Churchill right now. We've got a great event happening in Churchill the last week in July and the first week in August, and I haven't seen anything through the Department of Tourism advising about that great event. We have the beluga whales that are returning to Churchill at that time, somewhere around 3,000 beluga whales that will be in the Churchill area. What has the Department of Tourism done to promote tourists to go up to Churchill on this great railroad that we all support, the advancement of this railroad? What have they done?

We have all kinds of other facilities to get up to Churchill. We have airline facilities; we have rail facilities. I suggested to the Minister of Highways when we were in committee something about a road to Churchill. I think that's a long time in coming, but it's something

that I've given to the Honourable Minister. He doesn't listen to me when I give him good suggestions but, if I keep suggesting to him some of the things that have to be done, maybe they will get done.

The resolution — I'm not going to read it, because we read the whole thing on one occasion — not the WHEREASes, but the "THEREFORE BE IT RESOLVED that this Assembly demand that the Federal Government proceed with the expeditious implementation of the Subsidiary Agreement initiatives" — demand.

I don't suggest that we go with our cap in our hand, but I think this is a matter of discussion. You know, you don't demand; you discuss. What can we do? What can they do? Demand, that's why you don't get things done. This is why you alienate our neighbours to the south of us. We make demands of people that are unjust. I think fair demands are in order, but let's temper the word "demand," fair discussion. I think that you can catch more with a little bit of compliments than by condemning and demanding.

The Port of Churchill, it says here something about importance, ". . . clearly establishes the importance of the Port of Churchill to Canada." Let's not worry so much about Canada, but the importance of the Port of Churchill to Manitoba, the development of the railroad, the development of all of Manitoba which includes Thompson and The Pas and Flin Flon.

I know of what I'm talking. I have been up on that rail line, right up to Churchill. It takes a little jog in through Saskatchewan and then comes back, because that's where we used to get off the train and get some cigarettes. We used to get cigarettes in, I guess, it's Hudson's Bay, isn't it? We used to get cigarettes there that we couldn't get in Manitoba. I don't have that problem any more, because I have not smoked in the last six years.

The importance of Churchill, there are things that we've got to look at demanding in the exploitation and the expansion of Churchill. We're expanding a Northern transportation centre. Churchill has to be expanded because of the Northern transportation centre, and not just a train up to Churchill. We have to look after what we are going to do when we get the goods up to Churchill, how we are going to supply all of the North: the Northwest Territories, the Eastern Arctic and the Western Arctic. We're losing out on there, and I put the responsibility of losing out on the supplying of materials up to those locations on the New Democratic Party Government because, right now, the Eastern Arctic is being supplied out of Montreal, and the Western Arctic is being supplied out of Edmonton. We have a facility in Churchill that needs the help of being able to be the central point and supplying all of the Arctic and the Northwest Territories. But the New Democratic Party Government has done very little — I'm not saying, nothing — but has done very little to get that business to supply the North.

Let's get back to Tourism. Let's get back to negotiating with the United States about the military presence that was up in Churchill. — (Interjection) — well, that is not going to come into my discussion. I haven't discussed it before, and I don't think I'm going to do it now.

We're talking about a military presence in Churchill. The United States Air Force established an air force

base up in Churchill in 1942. The reason that the United States established an air force base in Churchill was because of the strategic position with respect to intercontinental air routes. It seems logical, seems legitimate.

Why has that position changed over the years? Has the advancement of aircraft changed the idea that Churchill was a strategic position with respect to intercontinental air routes? I don't believe so. I think that Churchill still is a strategic position and we should be doing something. The Provincial Government, through the Federal Government, if you have to, but at least we were able to negotiate with the United States on hazardous wastes and the storage of nuclear waste in the United States. Why shouldn't we be able to negotiate with them right now to re-establish some military presence up in Fort Churchill? Fort Churchill, Churchill, Manitoba was successful at that point when we did have that military presence, but we've scared them away and we've done nothing to make friends with the Americans to help us develop that place in the last few years. I think that maybe we should change our attitude toward our American friends to the south and encourage them to help us develop Churchill.

Churchill is a town of 1,300, approximately, people who think that Churchill is the greatest place in the world. I have taken the opportunity of speaking to some of these people, and you know what? I believe them, it is; being part of Manitoba, Churchill is great. I have seen the advancement of the port facilities, what is happening with the loading facilities up there, how it's advancing so that there's no reason in the world why Churchill shouldn't be a bigger distribution point of grain than what it is. I think that the most that we've ever shipped out of Churchill is about 3 percent of the total grain supply of Canada, and that is ridiculous — 3 percent of the total grain to be shipped out of Canada through Churchill.

We have a facility that can handle much more. We're spending all kinds of money to upgrade the facility. We are talking about an electrical line, an energy line from Gillam to Churchill. Great! I'm not going to condemn it. I don't know whether the cost will justify itself in the future, but that doesn't matter in this regard. We are doing everything we can because of the overall picture to develop Churchill. We will be able to have people moving up to Churchill, and I look across — I mentioned earlier that I'd been to Churchill, and I'd been Thompson, and I'd been to Gillam, I've been to Red Sucker Lake too — so I think that the development of Churchill will help Red Sucker Lake. I can't see anything but great things happening with the development of Churchill with all of the other facilities around. If we're going to put electrical energy . . . I'm almost finished.

**MADAM SPEAKER:** Order, order please.

**MR. A. KOVNATS:** If we're going to put electrical energy into Churchill, it gives us the concept of supplying all of Northern Manitoba and the development of Northern Manitoba . . .

**MADAM SPEAKER:** Order.

**MR. A. KOVNATS:** Madam Speaker, I'm not going to take more time than what I'm allotted and I know that it's 5:30, so I'll finish at the next opportunity.

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**MADAM SPEAKER:** When this motion is again before the House, the honourable member will have three minutes remaining, hopefully enough time to conclude.

The hour being 5:30, does the member have leave to finish?

#### COMMITTEE CHANGE

**MADAM SPEAKER:** Order please. We do not have unanimous consent for leave.

The Honourable Member for Ellice.

**MR. H. SMITH:** I'd like to announce a change in Public Utilities and Natural Resources Committee; the Member for Logan substituting for the Member for Rossmere; the Member for Churchill substituting for the Member for Kildonan.

**MADAM SPEAKER:** The hour being 5:30 p.m., then I am leaving the Chair with the understanding the the House will reconvene at 8:00 p.m. in Committee of Supply.