

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 11 August, 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 . . .

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

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

**HON. M. HEMPHILL:** Thank you, Madam Speaker.  
It's my pleasure to table the Supplementary Information for review for the 1986-87 Estimates from the Department of Manitoba Housing.

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

### ORAL QUESTIONS

#### Manfor - shutdown of sawmill

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

**MR. G. FILMON:** Thank you, Madam Speaker. My question is for the Minister responsible for Manfor.  
I wonder if the Minister has any information on an impending shut-down of the sawmill at Manfor in The Pas.

**MADAM SPEAKER:** The Honourable Minister responsible for Manfor.

**HON. J. STORIE:** Madam Speaker, the Board of Directors will be reviewing the question of further layoffs at the sawmill over the fall months, as a result of the wet weather. They have been unable to haul in the necessary saw logs to ensure production over the intervening months. That decision, I understand, will be finally taken and the length of duration assessed over the next couple of days.

**MR. G. FILMON:** Madam Speaker, I wonder if the Minister could indicate what the stockpile of logs that are available for production in the sawmill would amount to in terms of production time.

**HON. J. STORIE:** Madam Speaker, I understand that in terms of saw logs there would be enough available for approximately another month, and after that time there would be some continued employment in the sawmill for planing and the rest of the work relating to inventory in the sawmill itself.

**MR. G. FILMON:** I wonder if the Minister could indicate what period of time is being contemplated as a shut-down period for the sawmill.

**HON. J. STORIE:** The shut-down period of course would depend, to a large extent, on the weather this fall. Normally, the winter log haul resumes sometime in November, and assuming that is the case, the shut-down would last until sometime November, early December, depending very much on the weather and circumstances at the time.

#### Manfor - notice of layoff

**MR. G. FILMON:** I wonder if the Minister could indicate whether the workers have been given any notice of layoff yet.

**HON. J. STORIE:** Yes, Madam Speaker, preliminary discussions I believe were held with the union representatives last Friday and the formal notices may be on their way in the next few days.

**MR. G. FILMON:** Madam Speaker, I wonder if the Minister could indicate how many jobs would be affected by this impending shut-down.

**HON. J. STORIE:** Madam Speaker, the sawmill currently employs somewhat less than 100 individuals. I understand that the layoffs would occur in two stages; the first stage being the end of August, and finally some additional staff being laid off at the end of September, but the total number would be somewhat less than 100.

#### Manfor - impact of layoff on financial forecast

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

**MR. C. MANNES:** Thank you, Madam Speaker, to the same Minister.

Could he tell the House what impact this layoff would have on the forecasted \$5 million operating loss or the \$12 million net loss for the year? What impact will this layoff have on that financial forecast?

**MADAM SPEAKER:** The Minister responsible for Manfor.

**HON. J. STORIE:** Madam Speaker, I don't have that specific information, but I can assure the member that these moves have been contemplated with the understanding that Manfor's responsibility, obligation and desire is to improve the economic and financial performance of that company. I can assure the member it is not easy to make that decision, but the decision was necessary.

**MR. C. MANNES:** I would ask the Minister whether these layoffs were planned previously, and if they were, whether or not he can indicate whether the forecasted loss will now be less or more?

**HON. J. STORIE:** Madam Speaker, I can indicate that this layoff was not planned previously. It comes about as a result of the fact that Manfor has not been able to get the logs from the bush as a result of heavy rains, since the middle of June. It is anticipated that the situation is not going to improve in the near future, and it is unlikely that production at the mill will be significant enough to warrant the continued employment of all of the employees. It is very much a business decision, come to as a result of applying business principles, which include improving the financial position of Manfor.

**MR. C. MANNES:** A final supplementary, Madam Speaker, maybe the Minister didn't hear my last question.

Will this layoff improve or harm or further deteriorate the forecasted loss with respect to Manfor?

**HON. J. STORIE:** Madam Speaker, I did indicate to the honourable member that the intention of making this move at this time was to ensure that the situation at Manfor did not deteriorate and that is the reason for the decision at this time. I can only indicate that the decisions were made, I believe, in the best interests of the taxpayers and with due concern that this has caused in The Pas and the surrounding area who view each one of those jobs as an important part of their community.

### **MTS - committee meetings postponed**

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

**MR. G. MERCIER:** Madam Speaker, I have a question for the Minister of Consumer and Corporate Affairs.

The Minister indicated that the committee meeting to consider MTS and MTX had to be postponed so that MTS could put together the information that has been requested, yet the president indicated that the information was ready for last Thursday. Could the Minister indicate why the meeting was postponed in view of the president's statement?

**MADAM SPEAKER:** The Honourable Minister responsible for MTS.

**HON. A. MACKLING:** Madam Speaker, I wasn't completely satisfied that all of the questions, which I anticipate will be required to be answered, had been fully thought out and provided for; and therefore I felt it necessary to take the additional time so that more complete information will be available for the committee.

### **MTX - disciplinary actions of employees in Saudi Arabia**

**MR. G. MERCIER:** Madam Speaker, could the Minister indicate if he is now satisfied with the answers he's

been able to accumulate and provide the House with the information as to whether a Telephone System worker, who was flogged for religious offences in Saudi Arabia, and two witnesses, if they have been interviewed now?

**HON. A. MACKLING:** Madam Speaker, I have not interviewed anyone involved in the incident themselves other than that I've talked to Mr. Aysan who has provided details of that, and of course we'll review that with the committee tomorrow.

**MR. G. MERCIER:** Madam Speaker, in view of the fact that the worker who was flogged and the witnesses allege a cover-up of the office's general manager, Mr. Aysan, whom the Minister has indicated he has now just spoken to, to get a full understanding of what happens, their allegations that they're concerned about a cover-up to protect him, will he now interview the worker and the witnesses prior to the committee meeting tomorrow morning?

**HON. A. MACKLING:** Madam Speaker, I think that the honourable members should hear the full explanation of the incident by Mr. Aysan tomorrow, and if they believe that I should interview other witnesses following that, of course, I'll take that under advisement. But I have heard the explanation and — (Interjection) — I don't . . .

**MADAM SPEAKER:** Order please, order please.  
The Honourable Minister responsible for MTS.

**HON. A. MACKLING:** I've indicated, Madam Speaker, that I've heard the explanation and I don't believe at this stage that it would accomplish anything further for me to — (Interjection) — Madam Speaker, obviously members don't want an answer.

### **MTX - conflict of evidence available for committee presentation**

**MR. G. MERCIER:** A final question to the Minister.

In view of the apparent conflict between the office manager, Mr. Aysan, and the worker who was flogged and the witnesses - conflict between their evidence - would he have the worker and the two witnesses available to make a presentation or give evidence before the committee tomorrow morning?

**HON. A. MACKLING:** Madam Speaker, I've indicated that the committee will hear the full explanation of the incident as related to me by Mr. Aysan.

If they have further questions, of course, they can put them. I don't think we should prejudge the incident.

### **Air ambulance - out-of-province transfers**

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

**MR. S. ASHTON:** Thank you, Madam Speaker. My question is for the Minister of Health.

This past weekend, a Thompson boy who was injured in Saskatchewan was refused transportation back to Manitoba by the air ambulance, in spite of the fact that a direct request was made for that service. I'd like to ask the Minister if he's had the opportunity to review this and, if so, why the request was refused?

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

**HON. L. DESJARDINS:** Madam Speaker, I explained the situation during the debate in the Estimates.

This is a new program that we would be very careful to start, especially the first year, that this program was for emergency only and not authorized to go outside of the province for this year anyway. There'll be an assessment made and we'll see next year. It could be that it will be changed; it'll be increased, but for the moment we want to be very careful with this program. It can be a very costly program.

**MR. S. ASHTON:** A supplementary.

In view of the fact that this boy would have had to spend up to six weeks in Saskatchewan if other arrangements hadn't been made for transportation, and in view of the fact that at least one other province, Saskatchewan, does make arrangements for out-of-province transfers, I'd like to ask the Minister whether he would take that specific item under review and look at the possibility of changing regulations.

**HON. L. DESJARDINS:** Yes, we will certainly review it. As I stated, we will review the program. It might be that it would not be that costly, if you have to pay the pilot just waiting by. Maybe it's just the question of the fuel. That'll be looked at, not necessarily what they're doing in Saskatchewan, because in some programs I think we're way ahead of that province.

### **MTS - Cezar Industries Limited investment**

**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.

I want to thank him for providing me Friday afternoon with the business plan, etc., of Cezar Industries Ltd.

Based on that provision of information, I'd like to ask the Minister - and I'll quote to him from the information he gave to me on Friday - "After receiving the approval of the MTX and MTS Boards, a document dated October 9, 1985, was provided to the Economic Resources Investment Committee." Subsequent to that, the ERIC committee approved the \$3.4 million investment with Cezar Industries and part of the approval process attached is a copy of the original business case upon which the investment recommendation was made.

Can I ask the Minister responsible for the Manitoba Telephone System if the business plan for the investment in Cezar Industries was part of the presentation to the ERIC committee of Cabinet, as was indicated in the attached document?

**MADAM SPEAKER:** The Honourable Minister responsible for MTS.

**HON. A. MACKLING:** Thank you, Madam Speaker.

I believe so, but I will take the question as notice to be absolutely certain of that.

### **MTS - attendance of Minister at ERIC committee of Cabinet**

**MR. D. ORCHARD:** Given that the documentation . . .

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

**MR. D. ORCHARD:** Thank you, Madam Speaker.

Given that the documents provided on Friday would indicate that the business plan was made available to the ERIC committee of Cabinet for perusal, could the Minister indicate, since he was a member of the ERIC committee of Cabinet in October of 1985, whether he was present at that sub-Cabinet committee hearing, which gave approval to the MTX investment with Cezar Industries?

**HON. A. MACKLING:** I don't know whether it is particularly appropriate for the member to be asking the names of persons who were present, either at Cabinet meetings or committees of Cabinet, but certainly if I'm advised that it is necessary I will take the question as notice and give a response to it.

**MADAM SPEAKER:** May I remind the honourable member of Beauchesne Citation 357(gg) says that a question should not seek information about matters which are in their nature secret, such as decisions or proceeding of Cabinet. It is my understanding that Cabinet sub-committees would fall in that category.

The Honourable Opposition House Leader.

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

On the point of order, which you raise, the question just relates whether the Minister was there; surely that's not a secret.

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

**HON. J. COWAN:** Yes, Madam Speaker, in respect to the ruling which you have made, not only does the citation that you cited refer to meetings, such as Cabinet meetings, and I would assume that includes sub-committees of Cabinet, but also Citation 360 reinforces that particular limitation on questions that are to be asked in this House as part of question period.

I would suggest that you walk a fine line when you try to, through your questioning, determine exactly what materials were presented to a Cabinet sub-committee, because that is part of the proceedings of that sub-committee, or who was present or not present in respect to a particular meeting.

The members opposite suggest that they are referencing only one individual in respect to his presence at the meeting or lack of presence at the meeting, but

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I would suggest to you that once you start to enter into this line of questioning, the next question that follows would, in often cases, be who else was present and who wasn't present.

So I believe your suggestion that we refer to not only Citation 357(gg) but 360 as well is good advice in this instance.

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

**MR. D. ORCHARD:** Madam Speaker, we are not dealing with a secret meeting of the ERIC committee. The Minister, on Friday as requested, provided me with the information as to how the approval for the \$3.4 million investment in Cezar Industries was arrived at. It was arrived at, according to the documentation provided by the Minister responsible for MTS, through the ERIC committee of Cabinet, which made a decision - according to this paper - approving that investment.

There is no deep, dark secret as to what they did. The Minister has provided me with that information. I simply wish to determine whether in fact, as according to Order-in-Council 322, the Minister responsible for MTS, as a member of the ERIC committee, was indeed present at the ERIC committee meeting in which the approval was given, in which the business plan was presented.

**MR. G. FILMON:** That's very simple.

**MR. D. ORCHARD:** It shouldn't stretch anyone's memory.

**MADAM SPEAKER:** Order please, order please.  
The Honourable Government House Leader.

**HON. J. COWAN:** With all due respect, Madam Speaker, I believe the Member for Pembina misses the point of the limitation on the questioning, and the point is to provide a general policy and practice, which this House has abided by, in regard to asking questions about proceedings that take place in Cabinet or Cabinet sub-committee meetings.

One can certainly pose the question . . .

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

**MADAM SPEAKER:** Order please. Could I please hear the advice being given?

**HON. J. COWAN:** One can pose any question in this House, but that does not necessarily mean that that question is in order or that the Minister should answer that particular question, particularly given the limitations which are outlined in 357(gg) and 360.

So the point of the particular limitation is to ensure that those meetings which by their nature are secret, and one should not use that word in an emotive sense, as the Member for Pembina might have been attempting to do, or try to blow that out of proportion. It's commonly accepted in parliamentary practice that those meetings are meetings that are not discussed in the House or outside of the meeting itself.

For that reason, I think the Minister is well within his rights and as a matter of fact is following very carefully

what Beauchesne recommends in respect to limitations on meetings and information flowing from meetings of that sort. He can choose to answer or not to answer, but certainly the members opposite should pay attention to Beauchesne, and if in fact it is considered to fall within that limitation as outlined, not pursue that line of questioning on the basis of your ruling and what is very clearly identified in the book.

**MADAM SPEAKER:** The Honourable Minister responsible for MTS.

**HON. A. MACKLING:** Madam Speaker, I just want to add further to what the Honourable House Leader has said, and I don't think the Honourable Member for Pembina will deny that I have endeavoured to provide information to him. I sought him out on Friday to provide him with the information he requested, so that he could have it as soon as possible to review, and I would prefer to be able to answer all questions that members put to me.

I am concerned, however, that we do not offend the rules, because I am bound by the rules as are all members of the House and it's important that we abide by them.

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

**MR. G. MERCIER:** Thank you, Madam Speaker, just a final submission.

The rule relates to questions pertaining to decisions or proceedings. Those kinds of questions would be something like a member asking what went on at the meeting and what was the decision.

In this particular instance, the Minister has supplied the Member for Pembina with the record of the decision. The question that he is attempting to ask is simply was the Minister present when that decision was made. Surely to goodness there is nothing secret about that kind of information.

The decision has already been given to the Minister; the Member for Pembina just wants to know whether the Minister was there. Surely, that's not a secret.

**MR. D. ORCHARD:** It is now; it's a secret now.

**MADAM SPEAKER:** Order, order please. It's my understanding that the proceedings or the minutes of any particular meeting would include the list of those who attended. It's my understanding that the list of those who attended would be part of that proceeding.

I think in this particular circumstance where a Minister has given a member information and documentation from a meeting, questions arising from that particular piece of material would be in order, but questions outside that particular piece of material about proceedings of that particular Cabinet sub-committee meeting would not be in order.

The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Just for clarification then, Madam Speaker, are you ruling out a question by the Member for Pembina as to whether or not the Minister was present when the decision was made?

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**MADAM SPEAKER:** That's correct.

**MR. G. MERCIER:** I would, with due respect, challenge your ruling, Madam Speaker.

**MADAM SPEAKER:** The ruling of the Chair has been challenged.

All those in favour of sustaining the ruling of the Chair, please say aye; all those opposed say nay.

In my opinion, the ruling of the Chair has been sustained.

**MR. G. MERCIER:** Yeas and nays, Madam Speaker.

**MADAM SPEAKER:** Call in the members.

Order please. The question before the House is shall the ruling of the Chair be sustained. All those in favour, please rise.

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

#### YEAS

Ashton, Baker, Bucklaschuk, Cowan, Desjardins, Doer, Dolin, Evans, Harapiak (The Pas), Harapiak (Swan River), Harper, Hemphill, Lecuyer, Mackling, Maloway, Parasiuk, Plohman, Santos, Scott, Smith (Ellice), Smith (Osborne), Storie, Walding, Wasylcyia-Leis.

#### NAYS

Birt, Blake, Brown, Carstairs, Connery, Cummings, Driedger, Ducharme, Enns, Ernst, Filmon, Findlay, Johnston, Kovnats, Manness, McCrae, Mercier, Nordman, Oleson, Orchard, Pankratz, Rocan, Roch.

**MR. CLERK, W. Remnant:** Yeas, 24; Nays, 23.

**MADAM SPEAKER:** The ruling of the Chair has been sustained.

#### ORAL QUESTIONS (Cont'd.)

##### MTS - ERIC committee of Cabinet re MTX and Cezar Industries

**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 and also in his capacity as a member of the ERIC committee of Cabinet.

Can the Minister indicate that when the MTX-MTS proposal for a \$3.4 million investment in Cezar Industries was presented to the ERIC committee of Cabinet, he, as Minister responsible for the Telephone System, was familiar with the business plan and the attached documentation, which was presented to the ERIC committee of Cabinet?

**MADAM SPEAKER:** The Honourable Minister responsible for MTS.

**HON. A. MACKLING:** Yes.

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

**MR. D. ORCHARD:** Madam Speaker, I rise on a matter of privilege of the House.

Madam Speaker, the Minister responsible for the Manitoba Telephone System provided me with documentation on Friday of this week indicating that among other things the business plan of the proposal by MTX-MTS involving the \$3.4 million investment by MTX and Cezar Industries was presented to the ERIC committee of Cabinet.

On checking the records of the membership of the ERIC committee of Cabinet in October 1985, I find that the Minister of Natural Resources, the Minister responsible for the Manitoba Telephone System, was also a member of the ERIC committee of Cabinet, according to Order-in-Council 322.

Madam Speaker, the Minister has indicated today that part of the presentation to the ERIC committee of Cabinet was the business plan of the Cezar Industries investment and that was part of the documentation which he was familiar with at the time of October 1985, because he just indicated that to me in the House right now.

My matter of privilege arises from the fact that on Thursday, the 17th of July 1986, during consideration of the Manitoba Telephone System Annual Report before the Standing Committee on Public Utilities and Natural Resources, Page 126, I asked a series of questions to Mr. Plunkett, President of MTX, about the business plan of the investment by MTX and Cezar Industries.

Mr. Plunkett indicated, "Mr. Chairman, whenever we're making investment we prepare a business case, which is subsequently developed in the marketing plans and business plans."

My next question, Madam Speaker, was posed to the Minister when I asked, "Mr. Chairman, has the Minister seen that business case and business plan?"

The Honourable Mr. Mackling on the 17th of July, Thursday, 1986, indicated no, and misled the Committee of Natural Resources and Public Utilities in the fact that he has admitted today that he indeed had access to that business plan.

Therefore, Madam Speaker, I move, seconded by the Leader of the Opposition, that the Minister of Natural Resources, and Minister responsible for the Manitoba Telephone System, apologize to the House for misleading the Committee of Natural Resources and Public Utilities.

**MADAM SPEAKER:** The honourable member has raised a matter of privilege. May I remind the honourable member that a dispute between two members about questions of fact stated in debate is not a matter of privilege.

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

**MADAM SPEAKER:** Order please, order please. I would hope that the Honourable Member for Pembina was not accusing the Speaker of a bald-faced lie.

**MR. D. ORCHARD:** Absolutely not, Madam Speaker.

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**MADAM SPEAKER:** I will take the matter under advisement and peruse the Hansard in question and report back to the House on whether or not the member has a matter of privilege.

### Salt water spills re oil drilling

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

**MR. G. FINDLAY:** Thank you, Madam Speaker. My question is to the Acting Minister of Agriculture.

Some two-and-a-half weeks ago I raised a question in the House about the number of salt water spills that occurred in the oil patch area in the last five or six years. I wonder if has that information ready.

**MADAM SPEAKER:** The Honourable Minister of Highways and Transportation.

**HON. J. PLOHMAN:** Madam Speaker, I haven't been given that specific information and will advise the Minister of Agriculture of the question again and he will bring the information as soon as possible.

**MR. G. FINDLAY:** In the oil patch area when oil spills or salt water spills occur, it seems that the responsibility to be sure that the areas are cleaned up falls on the landowner.

I would like to ask the Minister of the Environment if his department, in conjunction with the Department of Agriculture, is prepared to get involved in assuring that the landowners' rights are looked after in clean-up operations?

**MADAM SPEAKER:** The Honourable Minister of the Environment.

**HON. G. LECUYER:** Thank you, Madam Speaker.

I am aware, Madam Speaker, that there has been interaction between my department and the Department of Agriculture. I will endeavour to bring details of that information tomorrow for the member.

### Air ambulance - out-of-province transfers

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

**MR. D. BLAKE:** Madam Speaker, my question is directed to the Minister responsible for the Manitoba Government Air Service.

I wonder if he could inform the House as to the government policy in connection with the Air Ambulance Service operated by the Manitoba Government Air Service and what reciprocal arrangements we have with our sister provinces.

**MADAM SPEAKER:** The Honourable Minister of Highways and Transportation.

**HON. J. PLOHMAN:** The policies as far as use of the jet aircraft, the air ambulance, are set by the Manitoba

Health Services Commission. The operations are simply carried out by the Air Services Division. We ensure the pilots are there and ready to go when calls come in, so the policy is set by the Manitoba Health Services Commission and the question should be more appropriately directed to the Minister of Health.

**MR. D. BLAKE:** Madam Speaker, while he's answering that, the Minister might also inform us if all the orders for ambulance trips are given by the Health Services Commission, and there's none given by the Air Transport Authority itself?

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

**HON. L. DESJARDINS:** The Minister explained the responsibility lies with the Commission. Of course the department takes care of the maintenance of the plane, the pilots and so on, but as far as the trips and policy, that is the responsibility of the Commission. As of now, as I said earlier, it's a rather new program. We haven't made any arrangements with any other provinces.

**MR. D. BLAKE:** Yes, I wonder if the Minister could inform the House if discussions are taking place with our sister provinces in this connection with reciprocal arrangements or just where do we stand with our service.

**HON. L. DESJARDINS:** No, at this time we feel we should have at least a year to evaluate the programs and then we'll see if there's any change - if it warrants any changes - in the total cost and to see if we should have any arrangements with other provinces.

### Gimli Dragways

**MADAM SPEAKER:** The Honourable Member for Portage la Prairie.

**MR. E. CONNERY:** Thank you, Madam Speaker.

Last week I asked the Acting Minister of Government Services what was happening at the Gimli Dragways in relation to the length of run that they have. On the long weekend, they had to cut their quarter mile down to one-eighth of a mile for the race. Can the Minister give us any indication if some resolve is going to take place at the Gimli Drag Races?

**MADAM SPEAKER:** The Honourable Minister of Highways and Transportation.

**HON. J. PLOHMAN:** Madam Speaker, this matter has been raised in the House previous to that as well. The member is correct that he did raise this with the Acting Minister of Government Services last Friday. The fact is that there was an arrangement worked out by the Gimli Dragways that they would conduct the racing at a shorter track and apparently that did go off well this past weekend.

We are continuing to encourage the parties that are involved in this dispute - Dimar Training Systems and Gimli Dragways and the Winnipeg Sports Car Club - to undertake discussions in an attempt to resolve the

differences between the two so accommodation can be worked out for Gimli Dragways.

At the present time, I'm not aware such an accommodation has indeed been worked out. I can remind the member any action the government might take with regard to the leases that are there would not resolve it on a short-term basis because any notice for changing of leases or cancellation of leases would involve a notice period of at least 90 days, therefore that would not resolve the problem for this racing season. That is why we're taking the position that the two parties to the dispute should be encouraged to resolve it as quickly as possible, and they are continuing those discussions it is my understanding.

**MR. E. CONNERY:** Well, Madam Speaker, I'm sure the Minister knows Dimar is using a part of the runway that they don't have a lease for and therefore have some lever over Dimar to accommodate them . . .

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

**MR. E. CONNERY:** . . . will the Minister use that lever to make sure that the Dragways go on in a proper manner, as it is quite an economic boom to Gimli, and I'm sure the Member for Gimli would be somewhat concerned that this matter be resolved in a proper way so we could have the proper drag races?

**HON. J. PLOHMAN:** Madam Speaker, the Member for Portage is wrong when he says that Dimar Training Systems are using a part of a runway which they do not have a lease for. They do indeed have a lease for that runway. The difficulty is that Gimli Dragways were using part of that area, even though they did not have it under lease at that time, over the last number of years they've been leasing space at Gimli Runways. They were not leasing this section.

So what we have then is a disputed area now where Dimar Training Systems are legitimately leasing a section of the runway that was being used but not in a formal way by Gimli Dragways and there lies the problem. That is one of the things they're trying to discuss now and work out.

### Berens River Road

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

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the Minister of Northern Affairs.

The Berens River Road study was submitted by UMA Engineering on July 8, 1986, to this government. Can the Minister of Northern Affairs tell us when the Berens River Road will be constructed?

**MADAM SPEAKER:** The Honourable Minister of Northern Affairs.

**HON. H. HARAPIAK:** Madam Speaker, the Member for River Heights is correct in saying the report was submitted on July 8. It was forwarded to the Department of Northern Affairs in Thompson. The majority of the

staff and all of the staff that would deal with that problem is located in Thompson. They are presently analyzing the report, and as soon as we get a report back, we will be having a meeting with the Community of Berens River and the bands from Berens River and also the Department of Indian and Northern Affairs. We would at that point make a decision when any construction would be taking place.

**MRS. S. CARSTAIRS:** A supplementary question to the same Minister.

Will the Minister guarantee to the people of Berens River that the interim improvements slated for 1986 is one of the statements of the report will in fact take place?

**HON. H. HARAPIAK:** Madam Speaker, the road in Berens River has been under question for quite some time. Last year, there was a group of children who were flown in at quite an expense to make known the conditions of the road.

Since that time, we have made quite an improvement to the roads and there are further improvements being made at this time because we do not know what the recommendations of the report are at this time. Once we have an opportunity to analyze it, then we will be dealing with that problem. But in the meantime, we are upgrading the roads.

Once again, we don't want the children being taken out of school to make their plight known, so at this time, we are upgrading that road and making sure it is in a condition that the buses can be using the road to bring the children to school when the school season does start.

### Highway construction budget

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

**MR. H. ENNS:** Madam Speaker, I direct a question to the Minister of Highways and Transportation.

I wonder if the Minister could indicate how much of the regrettably-reduced Highways new construction budget has in fact been contracted for at this point in time. We are now approaching mid-August, Madam Speaker, and people, particularly in rural Manitoba, would be interested to know how much of the \$84 million, \$86 million I believe it was, which was contained in the program has actually gone out under contract.

**MADAM SPEAKER:** The Honourable Minister of Highways and Transportation.

**HON. J. PLOHMAN:** Madam Speaker, I don't have the exact figures, obviously a substantial amount. The amount contracted for is usually much more than the actual dollars that will be flowed, because every contract that is actually let out is not completed in a given year. So it is difficult to say at this particular time whether they will hit the target exactly on, but of course they're working with that in mind to stage the construction in such a way with normal weather conditions that the total construction budget will indeed be flowed this year.

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**MR. H. ENNS:** Madam Speaker, I want to indicate to the Honourable Minister, it's not all that obvious, particularly to rural Manitobans, as to how much highway construction is going on in the province.

#### **Lake Manitoba Fisheries - licences**

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

**MR. H. ENNS:** Madam Speaker, I have another question for the Minister of Natural Resources which I would appreciate perhaps if he will take as notice.

It concerns the Lake Manitoba Fisheries. I appreciate his Estimates are coming up shortly. I would like to know how many additional licences have been issued on the Lake Manitoba fisheries in the last two years.

**MADAM SPEAKER:** The Honourable Minister of Natural Resources.

**HON. L. HARAPIAK:** Madam Speaker, I will take that as notice. I can give you an approximation. There are, I think, in the range of 700 licence holders on Lake Manitoba. There has been a significant increase in the last four-year period and I have recently had a meeting with a representative from the group. They are expressing concern and they would like to see some mechanism put in place to establish a level of licences for the lake which would ensure that all licence holders had an opportunity to carry out a viable business. But I will get the more specific information to the member during the Estimates process or in this Chamber.

#### **Accidents re split-rim wheels**

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

**MR. H. SMITH:** Thank you, Madam Speaker. My question is to the Minister of Workplace Safety and Health.

Given the recent accident involving a split-rim wheel, and given the safety record of split-rim wheels over the past number of years, has the Minister taken any action concerning the possible banning or regulation to ensure the safety of workers in Manitoba?

**MADAM SPEAKER:** The Honourable Minister of Workplace Safety and Health.

**HON. G. LECUYER:** Thank you, Madam Speaker, and I thank the member for that question.

The number of accidents and indeed the fatality last year, and the near fatality this weekend, is very much a concern for myself and members of the department. We have in the past, because of the problems associated with this type of wheel, proceeded to draft the bulletin which we circulated widely in the Province of Manitoba warning of the dangers associated with this type of wheel and of the procedures to use to service this type of wheel using diagrams. As well, Madam Speaker, we have prepared the film which safety and health officers have been taking to various garage repair shops to show how this procedure is to be undertaken. As well, we have prepared the bulletin

which we have sent, especially in the rural areas, because some of these wheels are used on various farm machinery. So it's been distributed to radio stations which have published this bulletin. We have sent it to rural newspapers who also have published it. We have drafted a regulation to be implemented as part of a broader safety and health regulation which is presently also being looked at by the industrial committee of the Workplace Advisory Council. Hopefully, Madam Speaker, changes can be implemented as a result of that.

#### **MTS - committee meeting**

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

**MR. G. FILMON:** Madam Speaker, my question to the Minister responsible for MTS.

I wonder if he could assure us that both Mr. Holland and Mr. Plunkett will be at the committee tomorrow morning to answer questions.

**MADAM SPEAKER:** The Honourable Minister responsible for MTS.

**HON. A. MACKLING:** Yes, Madam Speaker.

#### **Agriculture, Minister of - First Ministers' meeting**

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

**MR. G. FILMON:** Madam Speaker, my question is for the Deputy Premier.

I wonder if she could indicate whether or not the Minister of Agriculture is attending the First Ministers' meeting in Edmonton today and tomorrow.

**MADAM SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** To the best of my knowledge, Madam Speaker, but I'll certainly inquire.

#### **Schools - early opening**

**MADAM SPEAKER:** The Honourable Member for Fort Garry.

**MR. C. BIRT:** Thank you, Madam Speaker. My question is the Minister of Education.

I've had a number of parents express concern about the early opening of the schools in the last week of August of this year and my question then to the Minister is: Is the reason for the opening of the schools in August because of departmental policy or is it due to school division policy?

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

**HON. J. STORIE:** I'm sorry, Madam Speaker, I missed that question.



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**MR. C. BIRT:** I will repeat the question. The public schools are opening in the last week of August this year and I believe most of them are opening on Tuesday of that week. A number of parents have expressed concern to me about that early opening, and I'm wondering if the Minister will advise whether it's the policy of the Department of Education to have them open prior to the September long weekend or is it the responsibility of the school divisions.

**HON. J. STORIE:** Madam Speaker, school divisions have that authority and it has actually been the practice of school divisions for some years, at least some school divisions, to open prior to the September long weekend.

**MR. C. BIRT:** Is it the policy of the department that the school divisions must be open a certain number of days per year and, if they have to comply with this requirement that they have to open much earlier this year? I believe the openings have always been on Thursdays and Fridays and this time it's going into Tuesdays and Wednesdays of that particular week.

**HON. J. STORIE:** I've indicated, Madam Speaker, that the school divisions make those choices and the member is correct. I believe he knows that the department does require a certain number of days for a school to be open. I believe most school divisions use the first several days, the first day or two certainly, for professional development activities, but again that is a matter for each school division to determine in conjunction with their professional staff, Madam Speaker.

**MR. C. BIRT:** The question to the Minister is: I have been informed that the reason that schools are to open earlier is to save money because they can be closed longer at the Christmas season. Is there any evidence, or can the Minister confirm that there is in fact substantial savings to the department in the school divisions because the schools do open earlier in August?

**HON. J. STORIE:** Madam Speaker, I believe that from our own experience in the community colleges that, yes, there are significant savings to be had, although I would have to refer to individual divisions to gather information about their own particular savings. I should indicate that the changes that came about and resulted in the earlier starting of school came about as a result of the vast majority of school divisions making that request. So it's a result of negotiations and a practical result, I suppose, of discussions over a number of years.

**MADAM SPEAKER:** The Honourable Member for Fort Garry with a final supplementary.

**MR. C. BIRT:** Thank you, Madam Speaker.

The Minister has made reference to studies about the savings that were to flow from this early opening. I'm wondering if the Minister would advise what these studies were and perhaps table copies of them in the House.

**HON. J. STORIE:** Madam Speaker, the member perhaps wasn't listening when I gave my response. I

had indicated that information from within, in terms of our own community college operation, suggested that, yes, there were considerable savings; and I said I would have to canvass individual school divisions to see whether in fact they had calculated the savings. It is certainly their belief that there are savings and that is one of the reasons for the change in policy.

If the member is asking me whether in fact we will be undertaking studies of this kind, the answer is no.

### Agriculture, Minister of First Ministers' meeting

**MADAM SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Madam Speaker, a few moments ago, I said to the best of my knowledge the Minister of Agriculture was attending the First Ministers' meeting. It's just been confirmed to me that although he was expected to attend, he is in fact ill.

**MADAM SPEAKER:** If there are no further questions, we can move on to Orders of the Day.

### COMMITTEE CHANGES

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

**MR. A. DRIEDGER:** Thank you, Madam Speaker.

I have some committee changes. On Public Utilities and Natural Resources: Orchard for Blake; and Filmon for Nordman.

On Economic Development: Ducharme for Enns.

On Rules of the House: Kovnats for McCrae.

**MADAM SPEAKER:** May I remind the honourable member that he is to use member's constituency names. The Honourable Member for Ellice.

**MR. H. SMITH:** Madam Speaker, substituting in Public Utilities and Natural Resources: the Member for Transcona for the Member for Gimli; the Member for Dauphin for the Member for Churchill; the Member for Kildonan for the Member for The Pas; the Member for Osborne for the Member for Logan.

Economic Development Committee, the following substitutions: the Member for The Pas for the Member for Gimli; the Member for Swan River for the Member for Seven Oaks; the Member for Member for Burrows for the Member for Thompson; the Member for Elmwood for the Member for Kildonan; the Member for Radisson for the Member for Inkster.

Rules Committee, the following substitutions: the Member for The Pas for the Member for Burrows; the Member for Rupertsland for the Member for Fort Rouge.

**MR. A. DRIEDGER:** Madam Speaker, I wonder if Madam Speaker could advise as to which is the right way to make committee changes, because I've been doing it for the past two-and-a-half years in this respect and, if there's supposed to be a change, could the Speaker please advise.

**MADAM SPEAKER:** I will certainly advise the honourable member. It seems to me that we've been

doing it by constituency names, and that there is an outstanding rule of the House that we only use constituency names in the Chamber, but I will certainly check as to whether that has slipped my attention in the past, not being infallible.

## ORDERS OF THE DAY

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

**HON. J. COWAN:** Madam Speaker, this is to indicate that the Committees of Supply that will be sitting today will be reviewing the Department of Urban Affairs in the Chamber, and starting review of the Department of Employment Services and Economic Security in the Committee Room.

I move that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty, seconded by the Minister of Municipal Affairs. I also understand that there is an inclination on the part of all members to forego Private Members' Hour today and continue on with the review of Estimates until 5:30.

**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 the Department of Urban Affairs; and the Honourable Member for Kildonan in the Chair for the Department of Employment Services and Economic Security.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY - EMPLOYMENT SERVICES AND ECONOMIC SECURITY

**MR. CHAIRMAN, M. Dolin:** Committee will come to order. We are dealing with the Estimates of Employment Services and Economic Security, Page 58.

Prior to dealing with individual resolutions we will have an opening statement from the Minister of Employment Services and Economic Security.

**HON. L. EVANS:** Thank you, Mr. Chairman.

It is my privilege today to present the 1986-87 Estimates for the Department of Employment Services and Economic Security for consideration by members.

The Department of Employment Services and Economic Security was established in November 1983, linking training, employment, social assistance and income supplement measures within a single department. This combination of programs and services is intended to promote economic growth and stability, to create jobs and improve the skills of the provincial work force while ensuring adequate basic income levels for Manitobans in financial need. Improved access to jobs and training opportunities for all Manitobans, including those who might otherwise become dependent on social assistance, is a major objective of this department.

The department's four main components are the Economic Security Division, the Employment Services Division, the Manitoba Bureau of Statistics and Administration and Finance.

In addition to its own programs, Employment Services and Economic Security administers and delivers several major Manitoba Jobs Fund programs.

The Economic Security Division's main functions are to maintain and supplement incomes for Manitobans in financial need.

Effective July 1, 1986, income supplement benefits to low income Manitobans age 55 and over were expanded thus fulfilling a campaign promise made by Premier Pawley during the recent Manitoba election. The Manitoba Supplement for Pensioners' Program is being replaced by a new program, "55-Plus, a Manitoba income supplement." 55-Plus differs from the Manitoba supplement for pensioners in the following critical aspects:

- (1) low income Manitobans 55 years of age and over whose income is within specified ranges now qualify for benefits whether or not they have a pension income,
- (2) maximum quarterly benefits have been doubled, and
- (3) the benefits will be indexed annually.

About 5,600 more Manitobans will now qualify for full or partial benefits from the 65-Plus component, and an additional 3,700 persons are expected to qualify for the 55-plus component. The program's total budget will increase from about \$3.3 million to \$7.4 million in the current fiscal year.

Under the Child Related Income Support Program of my department, monthly financial supplements are paid to low income families to assist them with the cost of raising children. As announced in the 1986 Manitoba Budget Address, coverage of this program is being expanded by raising the net asset limit from \$50,000 to \$200,000 effective in the 1986-87 program year. In addition, a special CRISP payment of up to \$360 per child is being provided to low-income farm families this year.

These measures extend monthly benefits to approximately 1,500 additional farm families and 40 additional self-employed families. Furthermore, these same 1,500 farm families along with 350 farm families, already in receipt of monthly benefits, are being provided with an additional special payment this year. We anticipate that these initiatives will require an additional \$2.5 million for CRISP and in 1986-87 with a further \$79,500 required for salary and operating costs.

Social assistance caseloads have increased dramatically in Manitoba and other provinces in recent years, primarily because of high levels of unemployment throughout the country. Manitoba's social assistance caseload growth rate, however, has been below the national average increase and well below rates of increase in the rest of Western Canada.

The latest available statistics from Health and Welfare Canada, which report provincial caseloads to March 1985, indicate Manitoba's social assistance caseload increased by 40.3 percent for March, 1981 to March, 1985. During the same period the number of social assistance cases for the country as a whole increased by 44 percent and the number of cases in Western Canada excluding Manitoba grew by over 95 percent.

In terms of the percentage of population on social assistance, this province is well below the national average with 5.9 percent of this province's population

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comprised of social assistance recipients compared with 7.6 percent of the Canadian population. This rate is the third lowest of all provinces.

I'm proud to say that, unlike some provinces which have introduced measures to tighten social assistance eligibility in order to dampen the growth of caseloads and expenditures, Manitoba has maintained the integrity of its income security system.

Without restricting eligibility, we have raised social allowances rates to keep pace with the rising costs of basic necessities. We have emphasized the development of innovative training and employment measures for social assistance recipients to help the move toward stable productive employment. I will deal with some of these measures later in these remarks.

I believe the vast majority of social assistance recipients would prefer to work to welfare if jobs and necessary social and employment support services were available to them. Manitoba's Social Allowances Program is one of the most generous "work incentive programs" in the country, exempting 30 percent of earned income and providing for such work-related expenses as travel costs, child care, and special clothing. I might add that the 30 percent exemption of earned income exceeds the 25 percent maximum exemption under the Canada Assistance Plan. Our exemption rate is allowed under a "grandfather" provision.

In part because of our employment initiatives and annual increases in our social allowance rates to reflect the rising costs of basic necessities, Manitoba has not been affected by the substantial national increase in proportion of Canadians below the poverty line in the 1980's. The most recent report of the National Council of Welfare, dealing with the incidence of poverty in this country, showed that from 1981 to 1984 the percentage of families in Manitoba living in poverty increased by only 0.7 percent compared to a 25 percent increase for all of Canada. Manitoba improved its position among the 10 provinces from the fourth lowest to the third lowest proportion of families living below the poverty line.

Looking at poverty among unattached individuals, Manitoba was one of four provinces to have a decrease in the percentage living in poverty.

We will continue to maintain the integrity of Manitoba's income security programs. My department's Estimates provide for an increase in basic social allowance rates to reflect increases in the cost of basic necessities. This increase was made effective in January 1986.

Automation of the Social Allowances Program, which was initiated in 1982, is continuing. Implementation of the first phase - an automated central client registry and an improved automated payment system - was recently completed. The complete automated system will be developed and implemented by the summer of 1987.

Recently, I introduced Bill 31 to amend The Municipal Act to limit municipalities' use of liens to recover assistance from municipal welfare recipients. At present, the Act considers municipal assistance to be a debt and allows municipalities to register liens against recipients for the amount of assistance provided. The amended act will restrict municipalities' use of liens to the same exceptional circumstances permitted for the

province's Social Allowances Program; for example, when assistance is used to pay for major home repairs.

These changes, which had been discussed with municipalities during the past year by my colleagues, the Ministers of Municipal Affairs and Urban Affairs, will resolve significant inequities in assistance between municipalities and between the municipal and provincial social assistance tiers and will result in considerably fairer treatment of Manitobans in serious financial need. As well, the changes will ensure continued federal cost-sharing under the Canada Assistance Plan.

The Manitoba Government's economic policies continue to stress the creation and preservation of employment opportunities. Largely because of these efforts, provincial employment increased faster than the national average between 1981 and 1985, and Manitoba maintained one of the lowest unemployment rates in the country.

My department, through the Employment Services Division, provides the focus for the Provincial Government's labour force management activities aimed at; promoting long-term as well as temporary employment growth; facilitating labour market adjustment; and developing to the fullest, the employment potential of all Manitobans.

In fulfilling this mandate, the Estimates of my department provide for the continuation of a number of highly successful ongoing initiatives, along with several new programs. These serve all Manitobans, especially youth, employment disadvantaged, and persons on social assistance.

As I've already stressed, the Manitoba Government is firmly committed to providing social assistance recipients with a wide range of opportunities to move from a position of dependency to self-sufficiency.

My department's budget provides for several innovative new programs to assist persons on social assistance. The new Single Parents Job Access Program helps single parents, mainly women, to develop skills and gain work experience. The Job Access for Young Adults, a pilot project, is designed to provide unemployed young people, with less than a Grade 12 education, with training and work experience leading to permanent jobs. Both these programs are being jointly funded in this fiscal year by the Federal Government's Canadian Job Strategy.

My department hopes to conclude negotiations on an agreement with the Federal Departments of Employment and Immigration, and Health and Welfare, to further improve or expand opportunities for social allowance recipients to enhance their employability. The key elements of this agreement will likely include establishment of targets for social assistance recipients' participation in federal Canadian Job Strategy Programs, federal support for provincial pilot/demonstration projects and a new "fund diversion" mechanism to support employment programming for recipients using funds that would otherwise be spent on social assistance.

Other training programs operated by my department for special needs individuals are being maintained. These include the Selkirk Training Plant, the Human Resources Opportunity Program and the Human Resources Opportunity Centres and the New Careers Program.

Despite declines in youth unemployment rates and the fact that Manitoba's youth unemployment rates are

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considerably lower than in most other areas of Canada, my government is concerned that unemployment among young people remains unacceptably high. To further reduce the incidence and severity of youth unemployment, Manitoba has made a commitment to develop effective training and job creation programming for youth.

Special opportunities for summer employment and work experience are being maintained through ongoing departmental initiatives such as the Student Temporary Employment Program, sometimes called STEP, the Northern Youth Corps Program, Manitoba Youth Job Centres and the Job Opportunity Service. My department is administering the highly successful Careerstart Program this summer at 1985 levels. This program is funded under the Manitoba Jobs Fund, and it's proven to be a popular and effective job creation program for both businesses and young people.

My department, through the Immigration and Settlement Branch, will continue to provide information and support to the formulation of provincial immigration policies, as well as the provision of settlement services and support for recent immigrants to help them maintain self-sufficiency and full participation in Manitoba society. Two major programs in this area are: Immigrant Access Service, which provides better access and coordination of human services to immigrants; and Program Recognition, a program funded under the Manitoba Jobs Fund, designed to help immigrants with professional and technical qualifications get Canadian accreditation.

In keeping with its lead role in managing Manitoba's overall job training strategy, my department has been negotiating, both bilaterally and in concert with other provinces, arrangements with the Federal Government to ensure that the Canadian Job Strategy will support Manitoba's training and job development thrusts. A number of very serious issues must be resolved before a new training agreement can be signed, not the least of which is an announced intent by the Federal Government to reduce federal funding of direct training purchases for provincial community colleges. My department will be working towards the finalization of a satisfactory training agreement during the current fiscal year.

Legislation was passed in July 1985 to establish Manitoba's Workplace Innovation Centre, an arm's length agency to assist employers and employees in sharing the benefits and risks of technological change in the workplace. The centre has received a funding commitment of \$1.2 million from the Manitoba Jobs Fund for a three-year period.

My department will maintain its key role in the coordination and development of the Manitoba statistical system and the provision of research support. The Manitoba Bureau of Statistics is the provincial central agency operating under the terms of The Manitoba Statistics Act. The Bureau plans, promotes, develops and disseminates integrated social and economic statistics relating to the province on behalf of departments and agencies of government. The Manitoba Bureau of Statistics will continue to place increasing emphasis on cross-departmental statistics service and products and original data development and analysis.

In conclusion, Mr. Chairman, I would indicate that the total expenditure proposed in the spending

Estimates for the Manitoba Employment Services and Economic Security Department is \$207,242,900.00. In addition, a number of programs in my department will be delivered this year and will be funded by the Manitoba Jobs Fund.

I've provided you with a brief overview of my department's activities and the priorities that the department will pursue in 1986-87.

Before, closing, Mr. Chairman, I want to take this opportunity to thank our staff in the department for their dedication and their loyal service over the past year. Also, I would like to note that we have a new Deputy Minister, Ms. Roxy Freedman. I'm very pleased that Ms. Freedman, who has spent many years in the Civil Service, including several years of service with our department, has replaced Mr. George Ford, who was promoted to be the Clerk of the Privy Council of the Cabinet.

Mr. Chairman, I refer members of the committee to the 1986-87 Spending Estimates of the department and look forward to the members' comments, questions and contributions.

**MR. CHAIRMAN:** Thank you, Mr. Minister.  
The Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman.

I'd like to thank the Minister for his statement. We will be, as we proceed through the line-by-line look at these Estimates, we will be dealing with many of the topics that he raised during his opening remarks; so it wouldn't be necessary to remark on them at the moment.

I would like to thank the Minister for supplying a staffing list and program outline, as well as supplying the preliminary copy of the annual report. Of course, it's difficult to prepare for Estimates without a copy of the annual report, so I was glad that he did that for us and gave us a chance to have a look at it. I understand the finished copy will be coming along shortly.

As I went through the Estimates of this department, I was looking for several things. I was looking for an example of evidence of major change of programs; I was looking for major shifts in funding from one area to another and major infusions of funding in areas that perhaps needed it.

As there's been considerable talk by the NDP Government members about - and I quote - "federal cutbacks," I looked for evidence of cutbacks in this department, in the federal portion of the appropriations. No doubt, if I've missed some of them, the Minister will be pointing them out to me as we go along, but I didn't find that there were cutbacks.

Instead, I noticed considerable evidence of federal funding with the Canadian Jobs Strategy, to name one, and with the Limestone Agreement with the Northern Employment Support Services and things of that nature where, for instance, with the Northern Employment Support Services, 18 million by the Federal Government and 12 million by the Provincial. But we'll discuss these programs as we go line by line.

I also found during my research some comparisons in payments to Manitoba from the Federal Government, from the Canada Assistance Plan and I'll just quote

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some of these: for instance, in 1980-81 the Canada Assistance helped Welfare Services in Manitoba with 14.1 million; and in the year 1986-87 it's estimated it will be 23.7, so they've been gradually rising as we go; there's steady growth in funds so we would suggest that's a far cry from a "cutback".

In the Task Force on Social Assistance which was dated September 1983 there is stated and I quote: "The evidence gathered has led us to conclude that the Social Assistance system in Manitoba contains many features which cause it to fail to help recipients regain self-sufficiency. Significant improvement will require alteration of these features as aforementioned."

So we'll be looking as we go along, to see what gains have been made in this department and the Minister alluded to some of them in his opening remarks. Later we'll be asking the Minister what action he has taken to continue to make the system more efficient, to deal with the real needs of people and of course at the same time, protect the taxpayers who pay the bill.

I'd like to request, Mr. Chairman, that you be quite flexible as we go from line to line. Sometimes we'll be apt to stray. I think it would be easier if we, instead of dealing with 1.(a), 1.(b) individually, we could deal with sections as a unit and maybe wander a little bit from salaries to other things that it's difficult to stay right on and restrict ourselves to absolute line by line.

**MR. CHAIRMAN:** It's agreeable. No, no, I think the Minister has agreed that we can certainly be flexible as long as we stay within the same resolution. That's no problem.

**MRS. C. OLESON:** Before we commence I'd like if the Minister could indicate where we could discuss the Workplace Innovation Centre.

**HON. L. EVANS:** Yes, I'll let you know in a minute.

**MRS. C. OLESON:** Another thing, usually when I'm going through these Estimates, I find something that just doesn't conform to any line that I can point out and this one here is an Order-in-Council No. 851, dated July 24, 1985, that deals with monies given from this department to the receiver for the Lake Winnipegosis Development Corporation. I'm wondering where we could discuss that or is that something that we can discuss at this time.

**HON. L. EVANS:** I think there is a place to discuss that, Mr. Chairman. That relates to a special unemployment situation that was created in that area because of a reduction in the lumber industry in that Lake Winnipegosis area. This would be under the Employment section.

However, just going back to your first question, the reason you don't see the Workplace Innovation Centre as a line here is because, and I'm going to check with staff, but I believe it's funded under the Manitoba Jobs Funds.

**MRS. C. OLESON:** Yes, I know, but you're the Minister they report to.

**HON. L. EVANS:** Yes, that's true, but there's no expending line in the department on that account.

**MR. CHAIRMAN:** Would you be willing to discuss it under 3?

**HON. L. EVANS:** We can discuss it, certainly. We can discuss it under 3 someplace.

**MRS. C. OLESON:** Under 3?

**MR. CHAIRMAN:** Yes. Item 3 is Employment Services. It would seem to be appropriate, somewhere under 3.

**MRS. C. OLESON:** That's fine. Then we're proceeding under Administration to (b) Executive Support?

**MR. CHAIRMAN:** Are you through with your introductory comments?

**MRS. C. OLESON:** Yes I am. Sorry.

**MR. CHAIRMAN:** Okay, thank you. If the staff would like, they can come forward now.

**HON. L. EVANS:** I fooled them. I didn't talk for an hour.

**MR. CHAIRMAN:** Now we will proceed with Resolution 54, deferring Item 1.(a) Minister's Salary. Item 1.(b) Executive Support - the Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman.

The list of staff years provided by the Minister shows eight staff years of executive support. Could the Minister tell us where these executives function in the department? We can see by the chart provided in the annual report where the Deputy Minister and two Assistant Deputies are located; where are the other five located, please?

**HON. L. EVANS:** I gather the member wants a breakdown of the eight people. One is a special assistant to the Minister; one is an executive assistant to the Minister; one is the Deputy Minister; the other is an executive assistant to the Deputy Minister; then a secretary to the Deputy Minister; and a secretary to the Minister; and clerical support in the Minister's office.

**MRS. C. OLESON:** Are they all located in this building or is one of those assistants in Brandon?

**HON. L. EVANS:** As was the case for the last several years.

**MRS. C. OLESON:** Yes. All right, thank you.

**MR. CHAIRMAN:** The Member for Brandon West.

**MR. J. McCRAE:** I'd just like to hear that again. There's a special assistant in Winnipeg and an executive assistant in Winnipeg; these are to the Minister?

**HON. L. EVANS:** There's an executive assistant. Years ago, it used to be customary for executive assistants to always be in this office but over the years procedure has developed where executive assistants have been located in different regions of the province. My executive

assistant has been here for some years, in the Provincial Government.

Let me put it this way: The executive assistant could be occupying an office here; that has been the case in the past as well. So whether he occupies an office here or there, it's still an office.

**MR. J. McCRAE:** I'm not so concerned about where the executive and special assistants are located, Mr. Chairman, but as we go down the eight executive function positions, let me get it straight. There is one special assistant in Winnipeg; one executive assistant in Winnipeg; and one executive assistant . . .

**HON. L. EVANS:** One special assistant in Winnipeg; one executive assistant in Brandon.

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

**MRS. C. OLESON:** Pass.

**MR. CHAIRMAN:** 1.(b)(1)—pass; 1.(b)(2)—pass.

1.(c) Research and Planning - the Member for Gladstone.

**MRS. C. OLESON:** Is the the same staff in that department, to the Minister through you, Mr. Chairman? There's an increase in the salaries of \$38,000.00 there.

**HON. L. EVANS:** Mr. Chairman, we have the same number of staff. The increase is normal salary increases.

I just might add, Mr. Chairman, if the member wanted, we could discuss the Workplace Innovation Centre here, if she wished, because that section has been very much involved in helping organize it; otherwise we could discuss it under 3.

**MRS. C. OLESON:** We'll discuss it here probably. Another thing, if the Minister could tell me of any specific research projects that are under way in this Research Department, say anything to do with unemployed youth or any specific topic besides, as he did just indicate, the Workplace Innovation Centre is taking some of their time.

**HON. L. EVANS:** There are a number of activities that the branch undertakes. Of course, it has the overall responsibility for designing and coordinating some of our program plans.

It prepares evaluations, assessments and follow-up reports with regard to the federal labour market and the income security programs. We monitor the monthly labour force statistics that come out, and we monitor any changes that the Federal Department of National Health may bring forward under income security.

They are involved in providing information on training and employment policy formulation to the Minister and the Deputy. They undertake various technical programs, technical assistance to various branches; do various kinds of internal branch research projects.

There are some very specific achievements I could refer to for 1985-86. They, of course, are very much involved in preparing the Estimates - believe it or not that's a very lengthy process - and preparing the strategic planning processes. They coordinated the

preparation of sessional briefing material and material for the annual Estimates review.

They prepare notes and research papers on labour market trends and forecasts; the training requirements for the Limestone construction project; research papers on federal funding levels for training and job creation; research analysis regarding adjustment measures for older workers. They prepared the brief for the department and the Minister to present to the Federal Unemployment Insurance Commission Inquiry, the Forget Commission. They've provided a paper suggesting employment measures to assist social assistance recipients.

I could go on to various other reports prepared. Usually whenever we're contemplating a change in a program, we ask the research people to assist us in analyzing what would be involved in the change, the cost involved and so on.

There are a number of things that we are concerned with, obviously. We want to get as much as we can in federal support under the Canadian Jobs Strategy - the member alluded to some - and we are trying to evolve a cooperative arrangement in some other specific projects. The Research Branch would be involved in that.

We have undertaken a review of a federal proposal involving older workers adjustment, a problem with technological displacement of older workers, and they've done various evaluative studies and surveys on programs, such as, our Grads and Business Program, our youth job centres and the other major job programs in the department.

I might take this opportunity to introduce the staff, Mr. Chairman. Of course, on my immediate right is my Deputy Minister, Roxy Freedman. We also have, on my right, Wes Henderson, who is the Executive Director of Administration. Alongside of him is Gerry Bosma, the Director of Financial Services. Besides Gerry is Marty Billinkoff, who is the Director of this particular Research Branch that we're talking about at the moment; and Wayne Wedge of our Computer Services; and Keith Watts, Personnel.

**MRS. C. OLESON:** So I take it from what the Minister says that there are studies ongoing to project into the future what the job training needs will be, and the training programs are being tailored around these forecasts?

**HON. L. EVANS:** As much as we can. We don't do a lot of general forecasting. We rely on these various outside agencies, like the conference board of the Royal Bank and so on. There are all kinds of agencies that do forecasts. But for specific purposes, we might attempt to do some forecasting, such as, with Limestone projects.

**MRS. C. OLESON:** As we all know, there's no point in training for jobs that will be non-existence when the training period is over. That's what I was trying to get at.

I think we could pass that if my colleague has no questions.

**MR. CHAIRMAN:** Did you want to bring up the . . . ?

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**MRS. C. OLESON:** Oh, sorry. Thank you, Mr. Chairman.

The Workplace Innovation Centre, thank you. An Order-in-Council of July 16, 1986, No. 781, granted \$360,000 to the Workplace Innovation Centre. Is that for this year's current operation?

**HON. L. EVANS:** Yes, that is correct. I'm not sure whether the entire amount will be utilized. It's taken a while to get the board of directors in place and they are now in place. In fact, they are now in the process of advertising for an executive director. There have been advertisements placed in newspapers and they're in the process of interviewing people now.

**MRS. C. OLESON:** Will that be the total monies that they are given this year, the 360, or did they get some money to start up prior to that?

**HON. L. EVANS:** We approved \$40,000 in 1985-86 and this year the allocation is the \$360,000.00.

**MRS. C. OLESON:** It has been predicted, or it was stated as one of the goals in the preliminary paper on this centre, that it was to become self-sufficient after three years. From what you can see now, is that an attainable goal?

**HON. L. EVANS:** Regrettably, we haven't had much experience with it. We haven't had any experience, really, of operation. So I would say it's still a hope. I couldn't go beyond that.

**MRS. C. OLESON:** Has there been any change in the membership of the board since the annual report was printed? I notice that Mr. Ford, the former Deputy Minister was on the board. Is he still on it?

**HON. L. EVANS:** We are in the process of making that change. Mr. Freedman will replace Mr. Ford on the board.

**MRS. C. OLESON:** Pardon me?

**HON. L. EVANS:** The new deputy will replace Mr. Ford on the board.

**MRS. C. OLESON:** Does the board have offices? I see by its expense account that they were paying rental for meeting rooms. Is there an official office and where is it?

**HON. L. EVANS:** Yes, they have now just located at Colony Square and that is where their office is.

**MRS. C. OLESON:** What sort of rent would be incurred there?

**HON. L. EVANS:** Mr. Chairman, we don't have that information, but we can certainly check it out.

**MRS. C. OLESON:** Has the centre commenced any projects of specific nature? Of course you wouldn't be free to answer if it was something for a private company, but have they involved themselves with any studies to date or are they still getting organized?

**HON. L. EVANS:** Yes, regrettably, they're still getting organized. As I've said, once they get their executive director in place, I expect a lot of action at that point.

**MRS. C. OLESON:** Will this show up in Estimates at all of this department? Seeing as they report to you, will they show up with the Jobs Fund Estimates in the future, or will it still be possible to talk about in this department? I see that, and you referred to them today, they're an arm's length centre, but still they should be accountable to someone. Will it be this department?

**HON. L. EVANS:** Yes, as far as we can perceive, they will continue to be responsible to this Minister and this department, but you are correct, the funding comes through the Manitoba Jobs Fund.

**MRS. C. OLESON:** So, we could probably discuss them in that area, too, if we so desired. Okay, that's fine. Thank you, Mr. Chairman.

**MR. CHAIRMAN:** 1.(c)(1)—pass; 1.(c)(2)—pass.  
1.(d) Communications - the Member for Gladstone.

**MRS. C. OLESON:** I'll defer to the Member for Brandon West.

**MR. CHAIRMAN:** The Honourable Member for Brandon West.

**MR. J. McCRAE:** Mr. Chairman, I have a couple of questions about Communications. Is the Communications service, provided in the Minister's department, broken up in any way between Employment Services and Economic Security? How is that function handled?

**HON. L. EVANS:** We have one small Communications unit and it serves the entire department.

**MR. J. McCRAE:** Does that work, Mr. Chairman, on a matter of assignments given to the Communications Branch or department? In other words, does that branch respond to needs made known to the branch from other areas of the department?

**HON. L. EVANS:** Yes, it's a central agency serving the whole department. So whether we're talking about putting a new pamphlet out on 55-Plus, or whether it's something on Graduates in Business, they involve themselves with all aspects of the department.

**MR. CHAIRMAN:** 1.(d)(1)—pass; 1.(d)(2)—pass.  
1.(e) Financial Administrative Services - the Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman.  
Does this department negotiate federal-provincial funding, for instance, the training funds?

**HON. L. EVANS:** No.

**MRS. C. OLESON:** Do they do the negotiations?

**MR. CHAIRMAN:** No.

**HON. L. EVANS:** The short answer is no.

**MRS. C. OLESON:** What do they do? - a short question.

**HON. L. EVANS:** There is a great deal of activity that goes on here. They process and record all the departmental expenditures and revenues, all the financial services. In fact, they probably have one of the largest administrative loads in terms of pay out in the government because they processed the social allowance accounts. These are paid out monthly, as you can appreciate, to 22,000 cases, approximately, and of course, they are involved in other special social allowance expenditures. They provide ongoing budget analysis and monitoring of the expenditures of the department. They administer the cost-shared agreements between ourselves and the Federal Government or the municipalities. They generally administer social allowances, lien registry. They provide coordination of central administrative functions, including the departmental vehicle fleet, communication, purchasing, office space. They administer the social allowances health services program. They negotiate fee-for-service agreements with various professional organizations which provide services under the Social Allowances Health Services Program. Of course, because we cost-share welfare with the municipalities, they're involved in processing reports from municipalities and preparing rebate payments under the municipal assistance. As a matter of fact, there are just hundreds of thousands of cheques and accounts that are administered by the branch.

**MRS. C. OLESON:** In that case, to the Minister, who does negotiate with the Federal Government, for instance, for the Canada Assistance Plan and other training, other monies that this department gets? Which department does that?

**HON. L. EVANS:** It's under the Employment Services side, under 3.(e)(3), Intergovernmental Relations.

**MRS. C. OLESON:** Okay, thank you.

**HON. L. EVANS:** This is where we negotiate the National Training Agreement as well.

**MRS. C. OLESON:** Thank you, I think we can pass that.

**MR. J. McCRAE:** Mr. Chairman, I think I heard the Minister say that under this line, Financial and Administrative Services, besides looking after, I suppose, the paycheques for the staff of the department which numbers around 900 people, there's also the Economic Security cheques and that type of service to be provided. Yet, when we go on further in the Estimates Book, we see under the headings of Economic Security and Employment Services headings for Administration, in the case of Economic Security, we have another 30 people and seven more in Employment Services. How do these functions overlap? It appears like we've got almost three bureaucracies in the one department.

**MR. CHAIRMAN:** Is the member referring to the salaries indicated in 2.(a)(1)?

**MR. J. McCRAE:** Yes.

**HON. L. EVANS:** Mr. Chairman, we could elaborate when we get to that 2.(b)(1), but the fact is that these people here provide the direct service. They provide the direct administration of the program, deciding what level of expenditure. Once they make these decisions, the pay out is exercised or occurs under Financial and Administrative Services. But we have to have staff to make decisions as to what level of welfare is to be paid out.

**MR. J. McCRAE:** Thank you.

**MR. CHAIRMAN:** 1.(e)(1)—pass; 1.(e)(2)—pass.  
1.(f) Personnel Services - the Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman.

I'd like the Minister to comment on how pay equity will affect this department.

**HON. L. EVANS:** That is very difficult for me to . . .

**MR. CHAIRMAN:** it appears we have a vote in the Chamber. The committee will take a recess to the Chamber.

#### RECESS

**HON. L. EVANS:** The question really can't be answered, because we're still in a very preliminary stage. We still are waiting for some guidelines from the Civil Service Commission. Some work has been done. In the department, they're doing a bit of work, but it's still subject to a lot of further discussion, and also the MGEA have to be involved as well. So it's very preliminary, so I really couldn't answer the question.

**MRS. C. OLESON:** You don't think then there'll be any wage adjustments have to be made this year, or would there be projections for wage adjustments next year?

**HON. L. EVANS:** As I understand it, we're looking at one category called Financial Workers. We don't know whether they will be designated or not by the Civil Service Commission and the government.

**MR. J. McCRAE:** Mr. Chairman, as I understand it, designation is what happens after the groups have been identified. Maybe the Minister knows which groups in his department have been identified to this stage.

**HON. L. EVANS:** Mr. Chairman, I'm told we haven't been advised of the designations.

**MR. J. McCRAE:** Has the Minister seen the Memorandum of Agreement between the Government of Manitoba and the Manitoba Government Employees' Association which identifies the various classes of employees to be or not to be designated for pay equity adjustments?

**HON. L. EVANS:** Well, the report was sent. We've asked the staff to look at it, and that's about all that's



happened. There have been no discussions leading to firm decisions.

**MR. J. McCRAE:** Mr. Chairman, as I understand it, from here, from this Memorandum of Agreement I mentioned a moment ago, the Civil Service Commission will negotiate with the various bargaining groups or with one umbrella group, I'm not sure which, in the MGEA to decide which identified classes of employees should receive adjustments. Will the Minister's department not be in fairly close touch with the Civil Service Commission as to which employees will be included in this?

**HON. L. EVANS:** Mr. Chairman, the short answer is yes. We have had representatives from our Financial Workers category enter into discussions with the Civil Service Commission people. Mr. Chairman, as I understand, they've simply been asked to go and discuss their series with the Civil Service Commission.

**MR. J. McCRAE:** Mr. Chairman, the Memorandum of Agreement sets out female-dominated classes as well as male-dominated classes. The emphasis of the pay equity legislation in this province seems to be on female-dominated classes but, you know, discrimination or job discrimination is discrimination whether it's against a female or a male. I wonder if this is also in the minds of those people in the department who have authority over these matters.

**HON. L. EVANS:** I'm advised the emphasis is on females to date in our department. There is another area, of course, entirely separate from this but still related to perhaps the same objective, and that's the Affirmative Action Program. The department's been very involved in providing opportunities for various disadvantaged groups as well as to ensure there are opportunities for women.

**MR. J. McCRAE:** Mr. Chairman, just on the Affirmative Action thrust, as I understand it, the target groups are females, Natives and handicapped people and able minorities. Has the department any targets for achievement over the next few years, and has it had such targets over the last few years, and how has the performance been? Has the department been able to live up to its own expectations in the last year, let's say?

**HON. L. EVANS:** Generally speaking, yes, we do have targets. We've had a lot of success in achieving targets. As a matter of fact, I believe that we have, in terms of female opportunities, well exceeded expectations. We do have specific targets; we are working towards them.

In regard to women in particular, I might add that during the past year there have been many females promoted, so much so that today we have 25 management positions currently occupied by women.

**MR. J. McCRAE:** Out of how many?

**HON. L. EVANS:** Out of 66.

**MR. J. McCRAE:** Mr. Chairman, do I understand that the target for women is 50 percent?

**HON. L. EVANS:** I should point out that 66 percent of our staff are women, of the entire staff.

**MR. CHAIRMAN:** I think the question was, what is the target? Was the question, what is the target for the management group of those 66 people?

The Member for Brandon West.

**MR. J. McCRAE:** Mr. Chairman, the Minister mentioned the management side of it and said that of 66 people 25 were women. That perhaps the Minister would like to clarify.

**HON. L. EVANS:** Of the total staff in the department, 66 percent are women. This is a reasonable objective, to get 50 percent as a target.

**MR. J. McCRAE:** Fifty percent, Mr. Chairman, of the staff is a fine target, and if that's what we're after, we've certainly exceeded it in terms of the number of people in the department; but in the various job classifications, I think I heard the Minister make a comment a few moments ago about the management levels of the department. I must have misheard the Minister or . . .

**MR. CHAIRMAN:** If I can clarify it, I think what the Minister said is 50 percent of the management people is the target for that group of people.

**MR. J. McCRAE:** Okay, and my question is, how are we doing in the management group?

**HON. L. EVANS:** I'm advised that 39 percent of the management group are now women.

**MR. J. McCRAE:** Can we compare that 39 percent, Mr. Chairman, and maybe we should be fair and compare it with, perhaps, over the last five years, as opposed to what was the percentage last year? Has the Minister that kind of information available?

**HON. L. EVANS:** We don't have it immediately available. Obviously we can have it, if the member is interested, but it has been an increasing percentage. I can say that safely.

**MR. J. McCRAE:** I think with the thrust being what it has been over the last few years, I should expect that to be the result, Mr. Chairman. If it wouldn't be too much trouble, I wouldn't mind getting that information from the Minister, if he could give me some kind of detail in respect to various levels in his department and let me have information respecting the four target groups, just something that would give me an idea of whether we're making progress with this, because if we're not making progress, then what's all that money going for in these various groups?

**HON. L. EVANS:** Yes, we'll undertake to get that. It may take a couple of days, but we'll get it.

**MR. J. McCRAE:** That would be fine; I'd appreciate that, Mr. Chairman.

**MRS. C. OLESON:** Pass.

**MR. CHAIRMAN:** 1.(f)(1)—pass? The Member for Brandon West.

**MR. J. McCRAE:** Mr. Chairman, I do have another subject matter to discuss under Personnel Services, and that is the Auditor-General's recommendation to the Civil Service Commission was that performance appraisals were a very useful method in government of motivating staff and also boosting morale in the workplace. I wonder if this department has any commitment or what its policy is respecting performance appraisals.

**HON. L. EVANS:** We have had performance appraisals in the past two years. We've now covered all of the Economic Security staff, about 200 positions. We have a large number being covered by Employment Services. I don't have the number, and we're moving on some of the other categories as well, so we're well on the way.

**MR. J. McCRAE:** Mr. Chairman, does this policy . . .

**MR. CHAIRMAN:** If I could just interrupt for a second, could the member speak up a bit? It's difficult to hear because of the fans here.

The Member for Brandon West.

**MR. J. McCRAE:** I see the Minister's fans are here, but mine aren't, Mr. Chairman.

Mr. Chairman, respecting the performance appraisals, does the Minister's answer refer to the whole department from the top down, starting let's say with the Deputy Minister and on down to the, I suppose, the junior levels of the service?

**HON. L. EVANS:** I'm advised that we have them for the lower and middle categories. This is where the bulk of people are, of course.

**MR. J. McCRAE:** Mr. Chairman, I strongly recommend to the Minister that he consider seriously the notion or the policy, performance appraisal for all employees. I'm talking now from my own experience at City Hall in Brandon, where the idea was put into place a couple of years back and it has tremendously positive results and the senior personnel at the city have responded very well to the idea. Once it's explained, the idea goes over very well and the results are very positive at all levels, and I strongly suggest to the Minister that he consider it for all levels of his department.

**HON. L. EVANS:** It's a commendable suggestion.

**MR. J. McCRAE:** And it's a suggestion, Mr. Chairman, made also by the Provincial Auditor.

**MR. CHAIRMAN:** 1.(f)(1)—pass; 1.(f)(2)—pass.  
1.(g) Systems and Computer Support Services - the Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman.

The Minister, in his opening remarks, dealt with the Computer Services. I just ask - I don't remember from his remarks - when he has targeted to get everything into the computer program?

**HON. L. EVANS:** I would think it would take about another year before we're complete, but some of it is in place. You can go to our offices now and see some of the software in place, so most of the work has been done, but it might take another year before it's final. This is a very, very large project. It's probably the largest project undertaken in the Manitoba Government Service, as I'm advised, and it'll have a very significant impact, in terms of service to the clientele, in terms of our own control and in terms of getting data for policy analysis. It'll be great.

**MRS. C. OLESON:** How many computer programmers do you have working on that project?

**HON. L. EVANS:** We have 11 technical people.

**MRS. C. OLESON:** Okay. I'm ready to pass that item.

**MR. CHAIRMAN:** 1.(g)(1)—pass; 1.(g)(2)—pass.

We now move to Resolution No. 55, Item 2. Economic Security, 2.(a) Administration - the Member for Gladstone.

**MRS. C. OLESON:** Under Salaries there is a difference of \$76,000.00. Can the Minister explain that?

**HON. L. EVANS:** Mr. Chairman, those are miscellaneous items - general pay increases, reclassification and that sort of thing. The same number of staff is involved.

**MRS. C. OLESON:** Under (a)(2), what does the difference of over \$1 million - what does that increase reflect?

**HON. L. EVANS:** This is the automation project itself; the 11 technical people and other costs, the rental of 14 terminals and other equipment.

**MRS. C. OLESON:** So that shows up in this department as opposed to, of course, under the line for Computer Programming?

**HON. L. EVANS:** Yes, it shows up here because it is still in the process of development.

**MRS. C. OLESON:** I see, okay.

Now, under the Social Services Advisory Committee, how many appeals did this committee hear last year and can you give me some statistics as to their disposition and what appeals they were, like in which category?

**HON. L. EVANS:** Okay, in '85-'86 there were 383 appeals; 120 related to Municipal Assistance, 232 to our Social Allowance Program, and 26 related to day care centres - the level of subsidization of day care centres. This is beyond our department, of course - one regarding the licensing of a day care centre and four regarding licensing of residential care facilities.

**MRS. C. OLESON:** Now this Residential Care Facilities, do these include the small guest homes plus large care facilities?

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**HON. L. EVANS:** Yes, it would. They are funded, of course, under the Department of Community Services, of course unless the recipients are on social allowances, but the program itself is under Community Services but it's just deemed advisable or convenient to use the same board for this purpose as for the welfare appeals. This is a small percentage of their work.

**MRS. C. OLESON:** What authority does this department have over these homes since your department does have some input with funds because a lot of the people in them will be on social assistance? What jurisdiction do you have? I know you don't license them but do you have any input as to the rules and regulations and regular medical check-ups of the individuals, that sort of thing?

**HON. L. EVANS:** Mr. Chairman, we are not involved at that at all.

I'd point out that of the total number of people in these various residential care facilities, the majority are not social allowance recipients. There are a number, but they are not the majority. We don't have any administrative responsibilities.

**MRS. C. OLESON:** One thing I find very difficult about finding out information about these homes is that there are at least three departments of government that have input into them and it seems I have difficulty tracking it down; I'm sure the people involved must have trouble tracking it down, because some person licenses them, another pays some bills, and another decides what level of care the people will have. It must be terribly difficult for anyone who is trying to operate one of these homes to have this — (Interjection) — if you wanted to complain about them, what department do you go to because they would send you from one to the other like they have me.

**HON. L. EVANS:** Mr. Chairman, the Department of Community Services is responsible for licensing and generally oversees the programs of these group homes.

**MRS. C. OLESON:** Now with the Social Services Advisory Committee, I would like the Minister to outline for me the function with regard to appeals. For instance, does the person that's making the appeal come before the committee and plead their own case or can they write a letter to the committee or is the person allowed to have one speak for them?

**HON. L. EVANS:** We would expect the individual to appear in person. That individual could have a lawyer or someone else speak for himself or herself.

**MRS. C. OLESON:** Is it possible when a person has a language problem that you find someone that they can speak and interpret to the committee, for instance?

**HON. L. EVANS:** Mr. Chairman, yes that would be arranged if that was necessary to ensure that justice be done. I haven't heard of that being a problem so I gather satisfactory arrangements are being made.

**MRS. C. OLESON:** One complaint I've had from people who've phoned me is that once the appeal is over -

and in other matters to do with social allowances, too - they don't have any clear picture of why they were turned down or why such-and-such a decision was made. There seems to be a lack of communication from what I've been told - now, whether this is fair or not, I don't know - that they don't quite understand what is happening to them in a lot of cases.

**HON. L. EVANS:** Well, Mr. Chairman, the board is supposed to give reasons to the individual of why they made one decision or the other.

Having said that, we are looking at some kind of a procedure where we might, before the person goes to the board, try to sit down and review their case, not to suggest that we don't have to go to the board or that they shouldn't go to the board for an appeal - they certainly can and we don't discourage that - but in some cases, it's been suggested to us for instance by the Antipoverty Association and the Manitoba Association for Rights and Liberties that there should be some kind of a process whereby we provide them with more information and a bit of counselling, maybe preceding a board hearing. In some cases it may not require a board hearing.

**MRS. C. OLESON:** That is what I was going to say. In many cases . . .

**MR. CHAIRMAN:** Excuse me for one second. Could the members either limit the conversations around the table or move them to the rear please. Thank you - the Member for Gladstone.

**MRS. C. OLESON:** Now I lost my train of thought, Mr. Chairman.

**MR. CHAIRMAN:** You were asking about appeals.

**MRS. C. OLESON:** No, I say the Minister made a point that he wouldn't try to deter them from going to appeal but this could very well have the result if there were discussions beforehand that there would be no need of an appeal.

Also could the Minister tell me, one recommendation of that Task Force report was that there be people who were social assistance recipients or an advocacy group representative on that committee. Could the Minister comment on that and if that has been done?

**HON. L. EVANS:** Well, with regard to the first item, I'm glad the member agrees with me that maybe the individual wouldn't have to go to the board on a formal appeal basis if there was some prior consultation. It's something like the pre-trial mediation that apparently seems to work or does have a positive role. We're looking at that right now in response to a request by MARL and the anti-poverty organization.

So far, I don't believe any of the members of the Appeal Board have been welfare recipients, but I'm not totally certain of that. We could look into that, but I haven't consciously followed that recommendation to put in somebody who was a welfare recipient on the board.

**MRS. C. OLESON:** We can pass that section.

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**MR. CHAIRMAN:** 2.(a)(1)—pass; 2.(a)(2)—pass; 2.(a)(3)—pass.

2.(b) Social Allowances Programs, Social Allowances - the Member for Gladstone.

**MRS. C. OLESON:** Could the Minister give a breakdown of the categories, or people that are on social assistance? I'm thinking of, for instance, the Welcome Home Program, people in that category; children in provincial care. Now does that include children who are in care of foster parents, and people with physical disabilities, spouses' allowance, elderly, mental, just give a breakdown of what categories receive social assistance?

**HON. L. EVANS:** Mr. Chairman, in 1986-87 - now this is an estimate of course because the year isn't complete - but according to our caseload experience so far, we have approximately 22,900 cases, that's the average monthly social allowance caseload. Of that, 8,490 are considered to be Mother's Allowance cases; we have 115 Father's Allowances, if you recall the legislation on that. Those who are aged, namely, 65 and over, we have 1,240. That number has come down dramatically in the last few years because of changes in federal pension legislation. Disabled makes up the single largest category, 10,235; Children, 450; General Assistance, 1,490. This would be people in remote communities where there is no organized municipality and where we serve really as the municipal welfare office, in effect. Students, 865, we I think are one of the few provinces that have a program to encourage welfare recipients to upgrade their education, so that they can become independent, so we have 865 in that category; and 15 under Other, which includes certain special dependent care cases.

**MRS. C. OLESON:** When the Minister mentions students, is this a high school student, for instance, or could he specify?

**HON. L. EVANS:** Mr. Chairman, these primarily are single parents who are getting basic adult education, they're more or less upgrading themselves. A lot of mothers who are wanting to improve their education so that they could become independent.

**MRS. C. OLESON:** Now this section - just a minute while I gather myself together here. We could talk about property liens and that sort of thing in this section, too, couldn't we?

**HON. L. EVANS:** The more appropriate one is Item 3, where we're into Municipal Welfare. That's where the liens are, most of the property liens are.

**MRS. C. OLESON:** Okay. The Minister mentioned, just a few moments ago, the Association of Rights and Liberties meeting, and I see there was another note in the Paper, in the Letter to the Editor about it today. The question there was the way that studies are made of people's private lives, to determine whether they need social assistance or not, and of course it's a difficult problem because you have to be sure you're giving need where it's really needed and you have to

protect the taxpayer. The Minister said, having listened to these people, that he was going to study it and bring forth a report. What has he done in that regard?

**HON. L. EVANS:** Mr. Chairman, since that meeting I've asked staff to prepare a report for me. I'm advised that work is ongoing but I won't have the report completed for another three or four weeks. We're looking at procedures in other provinces to see whether we can perhaps make some changes so that we meet the criticisms that have been levied. But, as the member suggested, it's a difficult area, very difficult.

**MRS. C. OLESON:** When the Minister says he's looking at other provinces, is he looking at the Province of Quebec. They went on some sweep and saved a considerable amount of money. I wonder if he's going to be as - I won't use the word "vicious," but I think it was a little bit much.

**HON. L. EVANS:** Mr. Chairman, we have no intention of establishing new welfare police force.

**MRS. C. OLESON:** One complaint I've had from people who call me when the department does decide, by some means or other, that they are not eligible and cut them off social assistance, that the first indication they have is when they look for their cheque and it isn't forthcoming. Is there some way that the recipients could be informed of this because it is quite a shock when they are on assistance and then suddenly are terminated and no reason given?

**HON. L. EVANS:** Well I hope it isn't the case that they only find out when they don't get a cheque, because they are supposed to be told. Staff is instructed that they must advise the client of any cutback or any elimination of payment. We are monitoring it. I think with the automation system, we may be in a better position as well to be more efficient in this respect.

**MRS. C. OLESON:** When there is a dispute and the recipient is cut off assistance and is in the appeal process, are there any funds going to them at that time, or are they cut off completely until the appeal takes place, and they're reinstated, if that is the decision?

**HON. L. EVANS:** If there's a basis for terminating payments, it is made right away; but if there is a special circumstance, if they can indicate that it is going to cause a lot of grief and hardship, certainly we would take a compassionate approach. But normally a decision is made and then they go to the Welfare Appeal Board.

**MRS. C. OLESON:** Is there a mechanism in the department for people who need emergency assistance? I've had calls like that and I've called your office on a couple of different occasions for someone who is in desperate need and isn't able to make an appointment for an assessment till the next week and so forth; is there anything to help tide them over that period.

**HON. L. EVANS:** Normally the municipality is at the front line, so the municipality is supposed to make this

emergency payment, but where there isn't any municipality existing, or there are no municipal officials, we will and we do provide emergency monies.

**MRS. C. OLESON:** Back to the visiting of recipients, I see by the booklet on social allowances, it says that you will make a visit every one or two years. Is that followed up closely? Or how often on the average are the recipients visited by their worker?

**HON. L. EVANS:** It's becoming difficult because with the increased caseload and without a corresponding increase in staff, it's been difficult. But we certainly see them at the beginning.

In the case of Mothers' Allowances, we probably see them at least once a year but some categories we may not, depending on the category. I mean, if you're dealing with somebody, say, an aged person or somebody whom you know is very physically handicapped, a wheelchair case and has been for years and there's been no difficulty, there's not the same need for us to sort of monitor. Mind you, they can always come to us for special needs or a review of their case; though there's nothing preventing them from coming to us. So we monitor to a different degree, depending on the category.

**MRS. C. OLESON:** The Manitoba Anti-Poverty Organization, what funding does this department give them?

**HON. L. EVANS:** Yes, Mr. Chairman, we do provide a grant to that organization. I'll try to get you the exact number. It's \$33,300.00.

**MRS. C. OLESON:** Does this group receive any funding from departments other than this one in the government?

**HON. L. EVANS:** It has, I understand, for the last couple of years received money from the Core Area agency. Whether they're going to get re-funded again this fall, we're not sure. We don't know yet.

**MRS. C. OLESON:** With regard to the task force report, can the Minister give us an update on what recommendations of the report you've put into practice, and what you're considering in the future?

**HON. L. EVANS:** We have a list here we can refer to, but I can mention two that come to mind. One is the sole support father recommendation, sole support parent, to avoid discrimination against men who, for whatever reason, choose to raise their children. That was one.

The other was the automated system, I believe, and that of course is well under way, costing a lot of money, but we believe it's money well spent.

The other one, overpayment recovery policies, we've changed that - this was mentioned in the task force - so that overpayments due to administrative errors to which the recipient has no way contributed are no longer recovered. In other words, if the department made the mistake, we no longer will - I think the member may have suggested that herself last year.

**MRS. C. OLESON:** I don't recall, but I know I've had considerable discussion with various recipients on the telephone over the years.

**HON. L. EVANS:** So at least we've done that. That was referred to.

Fourthly, we've taken steps to improve the equity between the provincial and municipal levels of assistance. Primarily we are now moving on the elimination of the liens placed by municipalities with the objective of considering it as a debt payment.

Finally, we have undertaken a lot of study regarding options to move to a one-tier system. We haven't implemented anything but it's not for lack of desire, it is a very, very expensive exercise. We could be looking at, if we did it entirely, an increase in expenditure of nearly \$25 million in one year and regrettably that wouldn't necessarily put more money into the pockets of the welfare recipients. What it would do is essentially - not entirely - but essentially take the burden off the municipal taxpayers' shoulders and put them on the shoulders of the provincial taxpayers. It would be essentially a transfer.

But as indicated in that letter to the editor, I've suggested to the Anti-Poverty Organization and to MARL that one way of moving is to look at the rural scene and eliminate the one-tier system in rural Manitoba, because that wouldn't be nearly as expensive inasmuch as 80 percent of the municipal welfare expenditures are in the City of Winnipeg. So at any rate, that was one of the major recommendations.

Then in addition there was a whole level of miscellaneous administrative changes that they recommended which we have brought in as well.

**MRS. C. OLESON:** The Minister said that under the one-tier system he thought it would be an increase of \$25 million. Am I stating that correctly? Where does he see that occurring? Is it in staffing, for instance?

**HON. L. EVANS:** That's based on the assumption, and I think it's a rather valid observation, that our rates are higher than most rural municipal rates; and secondly, based on the assumption that we will probably get a higher caseload than a lot of the rural municipalities, this is regrettable, but often what happens - but I don't have any documentation and I have been told this by some individuals though - that they have been encouraged by the rural municipality to go to Winnipeg to get welfare or to go to Brandon, but don't stay in our R.M. because we haven't got the money to help you. Now that's regrettable and that's really contrary to the spirit of the whole thing, but it does happen.

We think that if we moved into the rural areas of Manitoba, let's say, leaving the City of Winnipeg and Brandon and Portage, etc., aside for a moment, that we would likely get an increased caseload. So that's the reason for our estimates, plus a bit more salary. But essentially, it would be the assistance. The assistance would be \$22 million, \$23 million additional.

Excuse me, I'm sorry. That would include the City of Winnipeg of course. If we only included the rural municipalities, you'd only be taking 20 percent of that, let's say, maybe less than 20 percent. You'd be looking at \$4 million or \$5 million.

**MRS. C. OLESON:** Does the Minister think there would need to be much increase in staff to handle the system if they went to the one-tier in the country?

**HON. L. EVANS:** Yes. If we did the entire province including Winnipeg, we'd be looking at well over 100 additional staff. There's a large staff in the City of Winnipeg right now handling this. There are 200-plus in the City of Winnipeg handling it now. We're assuming that if we took it over, we'd do it for 100, 110, maybe 120 staff for the entire province, including Winnipeg.

**MRS. C. OLESON:** The structure is in place in Winnipeg though. I mean, it wouldn't be a complete replacement.

**HON. L. EVANS:** I'm just suggesting if you totally took it over; I'm not saying that would necessarily happen. If you wanted to involve Winnipeg, you might involve an agreement, a contract with the city that they administer it and you're responsible for the total pay out but you contract with their staff. Whether that's a good way of doing it or not, I'm not sure, but that's one possibility.

**MRS. C. OLESON:** Is rent rebate paid to people on social assistance who are renting and, if so, is it deducted from their social assistance?

**HON. L. EVANS:** Mr. Chairman, I understand legally they can get it but we also advise it's a very small number who receive benefits and we don't move on that; we just leave it as it is.

**MRS. C. OLESON:** I wonder, has the Minister had an opportunity to look at the Social Assistance Program that they put in Saskatchewan recently, the last couple of years. They went into a highly intensive assessment and training program, as I understand it, which is working very well. I was just wondering if the Minister has taken a look at it.

**HON. L. EVANS:** I've read a couple of articles, Mr. Chairman, but I haven't studied it in any detail so I'm really not familiar with their new system.

**MRS. C. OLESON:** As I say, they went heavily into - from what I can read of it - an assessment. I think it took a lot of staff initially, from what I can figure out, but they did a personal assessment of most of their recipients to see what training and what help would put them back to work, assuming that everyone wants to work. Of course, that's not possible; they wouldn't be assessing someone who had a disability that completely prevented them from working.

I understand it is working quite well. They, as I say, took the approach that everyone wants to work, and worked from there.

They also did something a little different which, I guess, caused considerable criticism in some quarters, but for people who were on a short-term basis of assistance, say, young people who wouldn't necessarily be on very long, just on an interim, they didn't pay them as high a cheque, for instance, each month as they would someone who is long-term because they have different needs than someone who is just on as a temporary measure. Has that been considered here?

**HON. L. EVANS:** First of all, you'll find that the Saskatchewan Government is responsible for all social assistance, all welfare, so they have a one-tier system. They are more involved with the young people who are the unemployed employables, who may be in the unemployed employable category. Our situation is different, very basically, on that account.

We have looked at and indeed we are hoping to sign an agreement with the Federal Government to tap into some of the diversion funds that have now been set aside. There's \$100 million per year set aside through Canada Employment and Immigration as a so-called diversion fund to be utilized to provide job opportunities for welfare recipients.

I might point out that about a year-and-a-half ago, Manitoba took the lead in suggesting that diversion fund and they actually adopted our idea. We're not the first to sign the agreement; I think Saskatchewan has signed an agreement, and B.C. We hope to sign an agreement soon whereby we would provide job opportunities for people without being penalized. You see, in the past, there was a possibility of losing the 50-50 cost-sharing with the Federal Government. So what we're hoping to achieve is to not lose that 50-50 cost-sharing, indeed, get federal assistance to provide funds to open employment opportunities for a certain category of people that could benefit from this.

Having said that, as I pointed out in my opening remarks, we do allow people to keep up to 30 percent of their income without penalty, which is the highest amount in Canada. In addition - this is in a different part of these Estimates - we have many, many programs to get the structurally unemployed into the work force. It's a very difficult task but we are spending probably more money per capita than any other province in that kind of thing.

**MRS. C. OLESON:** The Minister had put out a couple of press releases last fall concerning the Unemployment Help Centre in Brandon. I noticed in one of them, it refers to the Winnipeg Unemployed Help Centre. Is that under this department also?

**HON. L. EVANS:** That, Mr. Chairman, would be under the Employment side. There are grants provided, but not under the Economic Security side.

**MRS. C. OLESON:** We'll maybe discuss it under that.

**MR. J. McCRAE:** Mr. Chairman, under 2.(b)(2) Health Services, for dental, drug and optical needs, are services like that available under the municipal welfare operations?

**HON. L. EVANS:** I understand there are some limited services provided in Winnipeg but, generally, not to the same extent as the province does. We're not sure that any other municipalities provide that. It's essentially a provincial program.

**MR. J. McCRAE:** The Minister said that there was some provision of those services in Winnipeg, under the municipal plan. I'm wondering if those health services are reflected in line 2.(b)(3) under the global Municipal Assistance line of the Estimates?

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**HON. L. EVANS:** Yes, the City of Winnipeg, I understand, is essentially into dental services and we would cost-share that amount under the 50-50 formula.

**MR. J. McCRAE:** Just so that I understand, that would be included in the \$37,250,000 number in line (3) Municipal Assistance?

**HON. L. EVANS:** Yes, Mr. Chairman.

**MR. J. McCRAE:** Also, Mr. Chairman, the administration of the Municipal Assistance is included in the \$37 million figure, or is the administration paid for strictly by the municipalities?

**HON. L. EVANS:** We cost-share administrative costs, as long as it's designated under the Canada Assistance Program. They would be either designated welfare workers, then we can cost-share, and we do.

**MR. J. McCRAE:** That also is included, then, in the line (3) Municipal Assistance?

**HON. L. EVANS:** Yes, that's my understanding.

**MR. J. McCRAE:** The thing that is interesting to me, and maybe the Minister can help me with this, but the social allowances, providing of financial assistance, the increase in the appropriation is somewhere around 20 percent for provincial welfare. At the municipal level - now, that includes whatever provision of health services there are, and administration - the increase there appears to be only, if my arithmetic is right, and don't trust my arithmetic, Mr. Chairman - it looks like about 6 percent or so to me. I just wonder, is there some reason, some more demand under the provincial program than the municipal ones. What would the reason be for the smaller increase, considerably smaller increase on the municipal assistance side?

**HON. L. EVANS:** These are, Mr. Chairman, the best estimates of the department. We're forecasting some reduction. There has been some reduction and we're forecasting some additional reduction in the caseload, in the municipal level, remembering that the bulk of the municipal level is unemployed employables. As the unemployment rate is improved, there is a lessening pressure in that area, whereas in the provincial caseload we have the long-term people, the disabled, the aged, the Mothers' Allowances. That would explain, I think, why we've come up with a lower estimate for the municipal increase.

**MR. J. McCRAE:** Those appropriations are based on economic projections, which tell the Minister and his department that unemployment in Manitoba will continue to decline or employment will continue to increase, thereby making larger increases unnecessary.

**HON. L. EVANS:** Forecasting, Mr. Chairman, is one of the most difficult things to do but there has been some easing of the unemployment situation and that reflects our whole - but of course if it comes about that let's say next winter for whatever reason, there's a major economic recession in the country, and there's a big

increase in unemployment, we still have the obligation to pay it and we have to come back and get some supplementary supply.

**MR. J. McCRAE:** The money has to come from somewhere.

I suppose it was just curious to me because when I look at the global budget for Employment Services it's not a very large increase there, and yet we see this big increase in the Economic Security side. I recognize that the largest portion of the Economic Security is under the provincial plan which deals with unemployables. It just struck me a little strange that there's really less money going towards Employment Services than perhaps you might expect when you look at these numbers.

**HON. L. EVANS:** There's another factor I should mention, Mr. Chairman, under the Social Allowances. We have as a large category, Mothers' Allowances. What's happening, these are changes that are occurring in our society, changes in attitude, in relationships and we've got an increasing number of single parents, particularly mothers. They are eligible in Manitoba; this has been the case for decades, automatically eligible for Mothers' Allowances. So there is a big increase there, and I think that partly explains that large estimated increase.

As I said, on the municipal assistance side while there is some increase, we're hoping that it won't be as great of an increase as in the past.

On the Employment Services side of course you must remember that many of the dollars that we have for job subsidies comes from the Manitoba Jobs Fund. All our Career Start money, Jobs and Training Program, you've got millions of dollars in that allocation, so they're not in these Estimates.

**MR. J. McCRAE:** The single mothers that the Minister mentions don't form part of our unemployment statistics, is that correct?

**HON. L. EVANS:** The labour force survey is based on people declaring that they're available for work outside of the household, so if a mother declares that she's not available for work, whether she's working or not, if she's not available for work, therefore she's not part of the labour force.

**MR. J. McCRAE:** So that when the Minister talks about an increasing number of single parents, being on social assistance and not being part of the unemployment statistics it kind of works against some of the other arguments the Minister often makes in the House about the improvement of the employment rate in this province. I'll leave that with the Minister and let him think about it.

**HON. L. EVANS:** There are three elements whenever you talk about unemployment figures. One the seasonal changes we get; the other is the cyclical and the third is the structural. What we talk about and what the labour force survey very largely reflects is the cyclical improvement. They do take account of seasonal variations. What we're dealing with here is the structural

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phenomena, change in institutions, a change in the attitudes and so on and we have to recognize that. Whether we like it or not I know what B.C. did is eliminate Mothers' Allowances as a category so that in B.C. in order to get Mothers' Allowances you have to go through all the hoops as you would if you were an unemployed employable.

But we do have a high participation rate in Manitoba, quite a high participation rate of individuals. The statistics do show an improvement over last year, the unemployment figures. But regardless we do have the phenomena of growing population and a growing number of people who are in this category.

**MR. J. McCRAE:** One more comment or question, whatever the Minister wants to take it as, Mr. Chairman.

The Minister recently brought in a program to provide training for single parents or . . . to provide training, and I think that's a good thrust. I think the Minister is headed in the right direction there. But I still remind him about the number of years I spent in Ottawa listening to Mr. Broadbent and his colleagues and talking about unemployment statistics and I think Mr. Broadbent likes statistics just about as much as this Minister does. But he used to say that all these statistics, bad though they are, don't include all those single parents and others in our economy who've thrown up their hands and just because of despair, ceased even looking for work so that we don't see them in the unemployment statistics. So now the tables are a little reversed here in Manitoba so I'll make the same bleating cry that Mr. Broadbent used to make.

**HON. L. EVANS:** I would love to get them into the labour force so that they would be looking for a job, but a lot of those people in the particular category I'm thinking of do require some training.

The member alluded to this one program. We have many other programs besides that of course. But that would be the attempt and the hope that at some point when they feel that they can leave their child with relatives or in day care, whatever, and they can get out and be independent. But that's an anomaly, as long as they're not able to get out and earn a living and as long as they make the decision also; I mean it's a decision in the mind of the individual. Once they say I want to get out and work even though I have a young child, and they declare to the labour force survey person, the person who's taking the sample that they're available for work, then they're part of the labour force and if they're not working then they become part of the unemployment statistics. But when they say, we are at home here, we are not looking for work, and they're not employable, they're not part of the labour force statistics.

**MR. J. McCRAE:** Does the Minister's department, through its field caseworkers, point recipients in the direction of such programs as we talked about and make every effort to encourage people to find work so that they can get off social assistance?

**HON. L. EVANS:** Yes, in fact what the member really alludes to is the rationale for forming the department. One of the basic reasons for forming the department

was to link our employment creation, employment enhancement programs with the social security, economic security side, so that we have a staff and can coordinate better these two programs. We have a whole range of programs and more and more are the two divisions coordinating their efforts. Indeed, we are appointing people in the direction of job training and job opportunities.

For instance, under the Manitoba Jobs and Training Program, I think we used about 25 percent of that money for people in disadvantaged categories, including people who are on welfare but would like to get off of welfare. We've been able to identify them and say, okay, here's a person who is on welfare, would like to work, wants to work, and here's a job over here we're subsidizing; we'd like to marry them up and we've indeed done that.

Also we've got all these human resource opportunity centres, we've got seven. Westbran is the project in Brandon, but we have six others around the province, plus we have other staff who are labour employment counsellors, who work with our Economic Security people to advise and counsel people toward work.

That's under the employment division, but there is a category of people who specialize in working with welfare, social allowance recipients, that's their sole job. There are about 27 staff, I am advised, that's their essential job. So there are many, many efforts, staff wise, program wise, project wise in the department.

**MR. J. McCRAE:** Well, I can see, Mr. Chairman, looking through a list of programs in the Minister's Department, that there are plenty of opportunities that have been made available for people. Just somehow the cold, hard numbers that we see in the Estimates Book tell me that really those programs aren't getting to the people, or something is wrong here because we're looking at about a 20 percent increase in social allowance programs. I can't understand it.

I guess it just goes right back to the election campaign, Mr. Chairman, where the Minister told us that so many people were coming home to Manitoba and finding work here, and our response was, well the figures don't show that. A lot of the figures show us that they're going on to social assistance. Now maybe it's increased number and increased need, but the Minister's programs and policies and plans don't seem to be keeping up because we're looking at about a 20 percent increase in social allowances this year.

I wonder if the Minister's department has any ideas for fundamental changes in the future, or if there are any task forces in mind that might study how best we should be targeting all these tax dollars that really are increasing, and the numbers of programs are increasing, but somehow the problem just seems to get worse, according to these numbers anyway.

**HON. L. EVANS:** Looking at the expenditure items that the member is looking at, it is a bit misleading. The fact is that the caseload of social assistance in Manitoba - in fact I referred to this in my opening statement - increased by 40.3 percent in the last four years; between March 1981 and March 1985, our increase load was 40.3 percent. During the same period, if you take Canada as a whole, the increase was 44 percent, so



we're quite a bit below the national average and, if you took just Western Canada, the increase is over 95 percent in those four years. Of course that reflects an increase in unemployment.

In Manitoba, these numbers, this 108 million going up to 122, for example, just to use one line, it reflects not only an increased population, but also it reflects an increase in the rates. The rates have gone up you see, and they go up on January 1, so when you increase the rates, you increase the expenditures; and Manitoba, unlike a lot of provinces, has not reduced the rates. We've tried to keep up with inflation. I know we're criticized because they're not high enough by some people, but nevertheless, there has been these increases. So when you do that, coupled with an increased population, you get more expenditures.

**MR. J. McCRAE:** Then, Mr. Chairman, in respect to some of the cases that have been brought to my attention, I would be one of the first to complain that they're not increased high enough because there are some very sad cases out there and the Minister knows, much better than I, just how heart-rending some of them are. Could I ask the Minister, what is the increase in the rates year over year, in percentage terms only?

**HON. L. EVANS:** The rates are changed as of January 1 each year, and the last rate increase - this is the average for every category - it varies but the average is 2.8 percent. It's a reflection of essentially our analysis of an increase in the cost of certain basic necessities. We use the Consumer Price Index; we also use the Federal Government's Department of Agriculture Food Basket price changes and, based on all this research, we come up with a rate change for food, clothing, shelter, personal items, etc. You take it altogether, if you take all the categories, single, families of different size, it averages 2.8.

I can read them back over the years; January 1, 1981, shortly after we were elected, we increased it by - I'm sorry before we were elected - it was increased by 10 percent. What you have to do is look at the inflation. The second year, our first year in office, we increased it by 16.5 percent; the following year it was 10 percent; then it dropped to 3 percent because inflation dropped quite a bit; and then the next year it was 2 percent; that was January 1, 1985; and as I said, January 1, 1986, it's 2.8 percent.

**MR. J. McCRAE:** I'm sure there is good criteria that is used when arriving at the size of the increase of the rates, but 2.8 percent - I just have to repeat my point - doesn't really deal with the amount of the increase we're talking about. I realize it's projected, but I think if present trends continue, we may have to be coming back for more money. I think the numbers here represent the numbers of cases or the numbers of people, recipients, more than it does the increases in rates.

**HON. L. EVANS:** You'd have to do some analysis to see which played the greater role, but the fact is that this is our best estimate of increased expenditures. If we followed the member's suggestion to increase the rates even more, if he would like it, I would welcome

his support, and the Member for Gladstone, that number's going to get a lot bigger, because when you find you just give somebody another \$10 per month, you multiply it by 12 months times 22,000 cases - it's sometimes more than that in terms of people - so you're always looking at millions of dollars.

**MR. J. McCRAE:** I hope the Minister doesn't interpret my comments as the policy of my party on that issue, that remains a matter of study each year, I should think, but I'm talking about some of the cases that have been brought to my attention and 2.8 percent for those people who are in genuine, legitimate need, doesn't sound like very much to me, as one member. But I'm saying that, in other cases, in cases where we have suggestions of need not being there and people being able to work, then my comments would go the other direction, of course.

**MRS. C. OLESON:** Is there any change to the amount of that special needs allowance that's given yearly to families?

**HON. L. EVANS:** Mr. Chairman, that hasn't been changed, it's still 150. Would the member suggest that it be increased?

**MRS. C. OLESON:** If I was sure just how the number was arrived at, I might be able to give an opinion. Is it done per the size of family or how is the number arrived at?

**HON. L. EVANS:** Mr. Chairman, it's 150 per family, per year. That's the special needs category. Mind you, if there's a disaster that occurs, or whatever, we will assess that family's needs and accommodate them. This is the regular special needs category and it hasn't changed.

**MRS. C. OLESON:** With regard to the health services, there's a considerable increase in funding allocated there. What does that reflect? An increasing number of recipients, or increase in health care costs, or what is the purpose there?

**HON. L. EVANS:** This reflects not only a caseload increase, but also rate adjustments. We negotiate with the Pharmaceutical Association of Manitoba, the Optometrists Association, the Funeral Directors Association of Manitoba and the Dental Association. We make an agreement with them, usually each year or for a two-year period, with regard to the rates we will pay those professionals for our clients. So it's based on the negotiations with those organizations.

**MRS. C. OLESON:** Could the Minister give a breakdown of just what costs there are per category, for instance, dental, drug and optical?

**HON. L. EVANS:** There's an old rule, if this could really tell what kind of units you're dealing with, and these are dollars - \$5.5 million for drugs, \$2.1 million for dental services and \$800,000 for optical services - for a total of roughly \$8.5 million.

**MRS. C. OLESON:** Could the Minister tell us, how long do people have to be on assistance before they qualify?

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There must be some length of time that they would have to be or would they just get on assistance today and be under that help the next day?

**HON. L. EVANS:** Because the program's objective is to meet basic needs, including health and dental needs, they get the card right away.

**MRS. C. OLESON:** The Minister mentioned dealing with funeral directors. How many funerals would there be a year that the department would have to take care of?

**HON. L. EVANS:** We have been negotiating with the Funeral Directors Association of Manitoba, so we've got the number - 330 was the last year - roughly 330.

**MRS. C. OLESON:** Would this be just people who are on social assistance or people who, for some other reason, suddenly had to have that service - one obvious reason - but I mean the financial reason?

**HON. L. EVANS:** These are strictly our social assistance recipients.

**MRS. C. OLESON:** Strictly that. Now with regard to municipal assistance, I think we did discuss that.

With regard to property liens, does the Minister contemplate any assistance to the municipalities because they won't be able to collect registered liens any more?

**HON. L. EVANS:** No, we don't expect to pay out any monies to the municipalities. We're going to give them 90 days to sort their liens out because some of them may be re-registered if they're, for instance, to pay back taxes or to cover back taxes, or whatever.

**MRS. C. OLESON:** Has the Minister any idea of how much money is involved that the municipalities recover in liens?

**HON. L. EVANS:** Mr. Chairman, we estimated that there'd be a minimum of \$100 million worth of liens wiped out by this legislation. This includes municipal, but also includes some under The Mental Health Act from years gone by; but that's a very crude estimate. To find out, you'd really have to survey all the municipalities and ask them to make a tally of their outstanding liens.

**MRS. C. OLESON:** Does the department itself register liens, property liens for social assistance, or is it only the municipalities?

**HON. L. EVANS:** Mr. Chairman, we do register liens for those five categories that we mentioned, on property, earning of equity, if we pay the back taxes or if there are major repairs, maintenance and so on, the liens on that selected basis, which is in accordance with the Canada Assistance Plan. The Federal Government hasn't any problem with that.

**MRS. C. OLESON:** But that is now, under this upcoming legislation. Has the department always stuck strictly to those categories?

**HON. L. EVANS:** Mr. Chairman, yes, we have by and large stuck to those. It's a limited basis.

There is one additional category that we used to have, but we've eliminated it. There was a case that related to this that I discussed with the member. This is someone who may have excess assets. We've had the practice of placing a lien against a person's property who had what we considered to be excess assets, but that has now been wiped out under this legislation.

**MRS. C. OLESON:** I think that's all the questions I have on that.

**MR. J. McCRAE:** One comment, Mr. Chairman. I read the Minister's press release on the bill, taking away the right of the municipalities to use these liens. Nowhere did I see in the press release that it was a federal initiative. All I read was that it was the NDP Government of this province who thought it was unfair that people should have liens placed on their homes when, at a time of genuine need, they had to accept money from the Government of Manitoba. Nowhere in there does it say that the thrust for this or the reason that the province had to bring this in was because of repeated, I think, requests from the Federal Government to get our legislation into line with the federal legislation.

**HON. L. EVANS:** I don't recall whether it was in the release or not, but I do remember advising the reporters who asked me about it - including the Brandon Sun reporter - I mentioned that.

I would point out that the Federal Government approached the government of Mr. Lyon in 1979 to do this very same thing, but for whatever reason it was deferred - and deferred all those years - until about a year and a half ago, when they came back to us and reminded us, the Government of Manitoba, the collective historic Government of Manitoba, that it still hadn't been done; so we agreed that we would move in this Session.

I guess, technically, we don't have to do it, but we would suffer the possibility of losing cost sharing. We've been able to get away with it, so to speak, for years.

**MR. J. McCRAE:** Which government was it in 1979?

**HON. L. EVANS:** I wonder. The other point is that the Federal Government did not require us to wipe out the liens; we've also done that. We've not only said that liens for the purpose of a debt in the future, but we've also wiped out the liens, and my understanding is, that was not a requirement of the Federal Government.

**MR. CHAIRMAN:** 2.(b)(1)—pass.

**MR. J. McCRAE:** Mr. Chairman, I see it's 5:30, and I had another question under 2.(b) generally, and I wonder if we could refrain from passing it until 8 o'clock. It shouldn't take very long.

**MR. CHAIRMAN:** Okay, but 2.(b)(1)—pass?

**MR. J. McCRAE:** 2.(b)(1), okay. It's under 2.(b)(2) that I have a question.

**MR. CHAIRMAN:** Fine, we'll continue at that place.

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Okay, we're going to interrupt the proceedings until 8:00 p.m., and we will continue with 2.(b)(2).

## SUPPLY - URBAN AFFAIRS

**MR. CHAIRMAN, C. Santos:** This section of the Committee of Supply has been considering the Estimates of the Department of Urban Affairs.

We are now on Item No. 3.(a), Urban Policy Coordination, Salaries - the Member for Charleswood.

**MR. J. ERNST:** Mr. Chairman, we were discussing, I think, the Core Area Initiative at the end of the last meeting. I believe we had completed the East Yards Redevelopment. The next item is Program 4, Riverbank Enhancement.

Now this is a new program under Core Area Initiative. The previous core agreement didn't contain a program dealing with riverbank enhancement. At the same time, the Provincial Government has indicated during the election campaign that there would be \$100 million, 10-year River Renewal Program. That, while perhaps not necessarily exactly specific, did indicate at that time that this would be a Provincial Government initiative apart from any other types of programs.

Can the Minister advise the committee whether or not the \$100 million, 10-year proposed Riverbank Renewal Program is over and above the Program 4 contained in the Core Renewal Agreement?

**MR. CHAIRMAN:** The Honourable Minister of Urban Affairs.

**HON. G. DOER:** Thank you, Mr. Chairman.

The \$100 million program announced by the Premier in February of this year is intended to be a part of the complementary funding. I don't know why they use the term, quite frankly, in the Core Area Agreement, because it's really not complementary funding to core. It's really supplementary funding to core. It's stated in the schedule on supplementary funding, similar to how the last core agreement was worded.

The \$100 million program announced by the Premier is a program province-wide. It is intended to reflect the reality that 75 percent of our population live and work in and around the Red and Assiniboine Rivers. There are a number of components necessary for returning those rivers to a state that will enhance their status in our province. One is certainly water quality; two is recreational potential, both winter and summer, hopefully; three is the historic realities of our major river systems; four is the cultural aspects of the river system; and five, I guess, would be the tourism aspects of the river system.

At the time the Premier announced the decision on the River Enhancement Program, the \$100 million program, it was as I say intended for the Red and Assiniboine in its entirety, not focussed in the Core Area Agreement, although we did have a proposal on the table to have Riverbank Enhancement included in the new Core Area Agreement. The Riverbank Enhancement in the new Core Area Agreement is situated in the core area boundaries, and will be funded and developed by the implementing authorities of both the City of Winnipeg and the Province of Manitoba.

The other program, the \$100 million program is beyond this announcement in the Core Area Agreement, except to say that it's already contained within the funding that's over and above the \$100 million. That's very non-specific, somewhere out of the last Core Area Agreement, which I'm sure the member opposite has looked at. So this is intended to be in the core area, as opposed to outside of the core area, which was announced by the Premier for the \$100 million program.

We hope, when the province announces it on a basis of a singular decision, i.e. the province, it was also stated in the initial press release to the Minister of Health, the former Minister of Urban Affairs last January in a press release in an attempt to get a riverbank authority going and also announced by the Premier in his announcement that we hope that this will not be just a one-government level program. It's our intent and certainly our goal to get the city involved. At the last official delegation meeting, we discussed the river potential with the city officials.

We also have written to the senior Minister responsible for Manitoba, Mr. Epp, and we want to follow it up with both Mr. Epp and other Ministers of the Federal Government, such as Mr. McMillan in terms of a whole watershed proposal for Manitobans.

So it is our long-term goal to get involved in a program with other levels of government, not dissimilar I might add, Mr. Chairman, to the fact that, when the CN East Yards was announced by the senior Minister of the Federal Government, it was announced on a unilateral basis with the intent of trying to get other levels of government involved. Certainly now, in the new Core Area Agreement, the CN East Yards plays the similar spot to what the North of Portage Development did in the last agreement.

Sometimes it takes the leadership of one level of government to get the other levels of government involved. We are hopeful that the other levels of government will get involved in the riverbank enhancement.

The answer to your short question is, it's not counted in the \$100 million, but it is counted in the supplementary or what is called complementary funding of the Core Area Agreement.

**MR. J. ERNST:** Mr. Chairman, I thank the Minister for that clarification. I was concerned there might have been, as has occurred from time to time in other areas, a subterfuge here that in fact the 10 million per year proposed for riverbank renewal was, in fact, contained in the renewed Core Area Initiative Agreement. I was concerned that had taken place or was taking place. I'm pleased to see that the funding is over and above that.

Having said that, Mr. Chairman, I wonder in what areas - the program for Riverbank Enhancement in the Core Area Initiative brochure is in pretty general terms. Presumably, there was something sparked that interest. Something sparked the concern that the \$10 million complementary funding or supplementary funding, as the case may be, would bring about some kind of a condition. Could the Minister advise the committee in general terms - I appreciate that individual programs will be developed, no doubt, as time goes on, but there had to be something that sparked that interest. Some

order of magnitude was required to establish the \$10 million. Could the Minister advise what kind of programs could be anticipated under that complementary funding?

**HON. G. DOER:** Mr. Chairman, let me clarify, the Core Area Agreement I believe has \$5 million specified for the next five years. So I guess, it's basically \$1 million per year. The complementary funding or supplementary funding doesn't specify the whole River Renewal Program of the province, which is a province-wide proposal. It merely states that the province and the Federal Government will be putting \$16 million in the Core Area Agreement over five years, in addition to the \$100 million which is really counting what we're already going to do, if you want to be perfectly honest.

It merely reflects the fact that the two senior levels of government, as the city calls them, are not just doing the Core Area Agreement and funding the Core Area Agreement up to \$100 million. There are other programs such as Social Services Programs, such as - and we specified - the River Renewal Program is one of the various programs that will make up our share of \$16 million over the next five years in supplementary funding. I use that term "supplementary," because it states in the agreement, "complementary." Complement always meant within to me, as opposed to outside of. But as the member opposite is aware, there were clauses in the old agreement on complementary funding. There is absolutely no specific amount for river renewal, except to reflect the fact that the province will be treating its River Renewal Program in the total province as a supplementary program or complementary program for the new Core Area Agreement.

In terms of the specific question, you're right, it's very general. The Riverbank Enhancement Program was one of the last items agreed to in the Core Area negotiations. We were sitting at an impasse in negotiations. Interestingly enough, there was some disagreement initially on two things. One is the level of funding to the East Yards, and two is the level of funding, if at all, to the Riverbank Enhancement. Initially, it was at an impasse, but the three parties did agree to put it in.

There hasn't been a lot of specific talk about it, except to say that the development of the Fork Park will be inadequate at this point, even with the ARC funding. There's a lot more that has to be done in that area. Secondly, there could be a lot more work done in linking the two, the Steve Juba Park, potentially, and the ARC Park in the potential riverbank area. But there is absolutely no provision except to purchase property, site clearance development, landscaping, public access, walks programming, pedestrian facilities and other related riverbank access activities in the new core area agreement.

Again, this agreement is only tentative. It hasn't been ratified. In fact, as late as Friday, we got another letter from the Federal Minister trying to change some wording. I was going to ask him if we could distribute the copy as you have requested. We have another slight disagreement on the wording of one of the schedules that we're trying to hammer out between the three parties so that I can distribute it to you. But there is nothing more specific at that point.

It is our intent; it's certainly been the province's attempt to get riverbank programs in a tri-level model similar to the Core Agreement. Certainly for the Core Area, we think it's a first step in getting all three levels of government involved in the planning and development of our river assets, rather than each government going off on its own.

**MR. J. ERNST:** Mr. Chairman, I think that created more questions than it provided answers. The Minister indicated that of the complementary-supplementary funding that there - well, there is 32 million between two levels of government, presumably splitting it 50-50 as \$16 million each. But the provincial \$10 million per year Riverbank Program announced by the Premier during the election would yield over that same period of time \$50 million.

In addition to that, I believe - and I don't want to get ahead of myself here, but it has come up under this section and the Minister has alluded to it - that in addition to the funding for the \$32 million in total, \$16 million for each level of government, there is the Manitoba Jobs Fund, there is the Housing Program, there is a Canada-Manitoba Tourism Agreement. All of those things are to provide funding in addition to that. Can the Minister then advise, if in fact the money that's proposed under this \$100 million 10-year agreement, if that \$10 million per year roughly, is to go predominantly then outside the City of Winnipeg and let the Core Area Initiative pick up with its complementary funding the program inside the City of Winnipeg? Is that the situation?

**HON. G. DOER:** It's not an either/or. First of all, I'd like to clarify one point.

The program that was announced by the Premier is \$100 million program over 10 years and you will note in the Estimates clearly that there is only \$500,000 in this year's Estimates for that commitment of the government. So it's a 10-year, \$100 million program.

Secondly, there are some components of the River Renewal Program that will affect all river areas including the Core Area. For example, improvement of the water quality, both in the Assiniboine and Red Rivers. You can't stop the river from flowing just in the Core Area. So water quality, for example, is an area that's provincial-wide. It's generic to the total river-renewal program and would contribute, hopefully, to the improvement of water quality in the City of Winnipeg and in the Core Area. There are other programs such as clean-up of water in Portage la Prairie, or Brandon, or Emerson, or Morris, or Winnipeg, for that matter, that would be outside of Core Area Agreement. So it's not an either/or program.

The question is: this \$5 million is for the Core Area Agreement, funded by the three governments. I guess it's \$330,000 per government, per year, for five years. The River Renewal Program is a singular program announced by the province with the intent of getting other governments on. It's a 10-year program. We haven't got \$10 million in this fiscal year. We do have \$500,000 and that comes under expropriations later on in the budget. But there has been no specific designations for the Core except for the appreciation of all levels of government, the other two levels of

government, the City and the Federal Government, that this would be a very positive program in the new renewed Core subject to ratification by city council and eventually the province and the Federal Government Cabinet.

**MR. J. ERNST:** So, if I'm to understand this correctly, then the Core Program for funding of \$5 million over that five-year period, is to provide for riverbank enhancement as opposed to the other program, the one announced during the election of \$10 million as a river renewal program? So it can deal with the water quality as well as the riverbank and things of that nature. Is that correct? Just a yes or no is fine, thanks.

**HON. G. DOER:** Well, except that the River Renewal Program includes riverbanks, but the Riverbank Enhancement Program is specific to riverbanks in the Core Area.

In the complementary funding, just so I can answer this, it includes the River Renewal Program, so water quality is a factor. If, for example, we spent \$5 million on water quality, we could perhaps factor out some of that money as part of our complementary contribution to the Core Area. A little bit of that Core Area complementary funding is a little bit of smoke and mirrors, as the member opposite knows, to reflect what governments are already doing in a positive way. It's not new money. The Core Area Agreement is supposed to be new money, and when you ask the question specifically: the riverbank, is that going to be double-counting money you're already going to spend? It's the province's position, and in all these areas, and it's stated in the contract, this is new money for the Core Area. So, therefore, we do not plan on, and it was never intended, to double-count the money out of the River Renewal Program for the Core Area Riverbank Enhancement Program.

Similarly, money that comes from other levels of government - there are very specific clauses. In fact, we had a very major meeting on April 19 to go over the issue of old money versus new money. We don't want, for example, money coming into the training program that may be diverted from the decrease in funding from the Federal Government from community colleges through the Canada Employment system, CEIC, over to the training agency and to the Core Area Agreement which is really just taking money out of Red River Community College and putting it back into the Core Area Agreement. Similarly, the Federal Government doesn't want us taking our \$100 million announcement and moving it over there and just double-counting it.

So the only area that really we're double-counting for purposes of the Core is the money that is designated as complementary or outside of the 100 million. Money inside the 100 million is stated and intended and should be monitored as money that's new money for specific projects under the Core Area Renewal.

**MR. J. ERNST:** I'm pleased to see that's going to occur. Under this Riverbank Enhancement Program, in the past what's happened is that once a capital program has been developed, it's been left up to the City of Winnipeg to maintain those facilities once constructed,

i.e., Stephen Juba Park, constructed under the ARC Program. Is it the intention of the Core again that the city would assume the costs of maintenance of all these kinds of facilities and, if so, is there any additional money available to assist the city in terms of maintaining these facilities?

I know that in the past we've seen many many capital facilities brought on stream. I know that the feds have been famous for that, and the province to a lesser extent, in bringing on capital funding and saying: we'll be happy to provide you with this wonderful program, or this wonderful park, or this wonderful facility.

The problem is, we'll give you the million, or 10 million or 5 million, whatever it is to build it; but, in the meantime, you're going to have to maintain that facility, maintain that park, or whatever the program has been over the long period of time, say over a 20- or 30- or 40-year period, you know, you're better off to have said, don't give us the capital money, we can't afford to maintain the facility over that period of time. So that if the city is to maintain these facilities, then will there be any funding, supplementary, complementary or otherwise, coming forward from the other two levels of government to assist in the maintenance of these facilities?

**HON. G. DOER:** Mr. Chairman, we haven't yet negotiated the ongoing operating costs. I think with the ARC parks, the feds and the province did construct them and did negotiate eventually, and I agree after the fact, for the city to run the operating costs of some of those parks. The last word I had from the city, they were happy to be operating some of the parks. It gives them some recognition in the area, notwithstanding the fact that there were no capital funds placed in the park.

The whole area of the Forks Park hasn't been determined, but at this point in time, it's going to be a federal park, as I understand it, and the feds intend on maintaining it. If they weren't going to, I think, in relative terms, it's going to be a fairly popular place. It may be competition to see who (a) operates it; and then (b) can get credit for it. But, at this point in time, the province and the Federal Government are involved in the capital costs of the park and the Federal Government intends on running it as a federal park. I guess each one will have to be judged on its own merits.

I can go through the parks that have been developed under the ARC Program under the ARC expropriation later on. I think some of them are being maintained by different components in the system, many of them through the city, but they've been left with some excellent facilities. I agree with you. Quite frankly, I think if the new ARC agreement came about, we should probably - and I think a renewed ARC agreement is a good idea. For \$7 million there have been a lot of excellent projects. If it did come about, I think that there should be the three levels of government involved in it at the first stage, not just two levels of government. The ongoing operating costs should be part of the planning, not part of just the ad hoc decision-making at the end.

**MR. J. ERNST:** Under Program 5, Mr. Chairman, the Strategic Capital Projects, I understand there were a

number of projects proposed under that particular area. Could the Minister indicate, roughly, what those strategic capital projects were that were initially anticipated? I'd appreciate not binding on him for the end result.

**HON. G. DOER:** Well, again, Mr. Chairman, we are very vague on that. I can assure the member opposite there is a considerable amount of lobbying going on. I think I get two letters a day from various projects and I'm sure the Mayor and Mr. Epp also get the same amount of letters per day from groups lobbying to get into that amount of money. The \$13 million has been designated for the major capital projects.

I can tell the honourable member opposite that one of the negotiating items that the Federal Government placed on the table was half of that money be designated alone on top of the \$20 million for the CN East Yards. Both the city and the province felt that was premature, that we hadn't had the public input in the East Yards, we hadn't decided what we were going to do on the East Yards, that there shouldn't be designations of money until we had a plan to look at the East Yards. So there was absolutely no money specifically designated out of the \$13 million, or again, slightly over \$2 million per year, for specific strategic capital projects, except to say that the strategic sites will have special emphasis on the East Yards, the Exchange District and the Downtown riverbank sites.

Again, the projects that will be funded must contribute to the economic, social and physical objectives and strategies outlined elsewhere in the agreement and they are still pending. There is everything from a market square being proposed, a market proposal being proposed, it's both being proposed in the Exchange District and has been proposed in the East Yards district, even though we haven't complete assigned the contract. But there is absolutely no specific amount of money designated for any specific project at this point. I think Pantages is lobbying; Prairie Theatre Exchange is lobbying; a market facility is lobbying, there are other projects that are lobbying, but the agreement isn't signed and decisions haven't been made yet on that specific \$13 million. I recognize that's a very vague answer, but I can't give you a specific answer. Specific decisions haven't been made, in fact, the agreement hasn't even been resigned.

**MR. J. ERNST:** With regard to Program 6, Mr. Chairman, I have one major concern in that area, and that's what happened, really I guess, in the last Core Agreement to some extent, happened also in other programs put forward by other levels of government from time to time, and that's creating the expectations amongst a number of community organizations and community groups providing, albeit a valid service, but creates expectations there that they will be funded on an ongoing semi-permanent, if not permanent, basis.

Mr. Chairman, what happens is you can have groups come forward with a very good idea, a highly desirable - it may not get very far on a priority list, but certainly highly desirable - and because the funding under these kinds of programs is available, they tend to get funded and they carry on their program. Then, when the program ends, they are left there. We have questions

asked in the Legislature and we have demonstrations take place outside, and we have requests being made to the city and requests being made to the Provincial Government to meet the financial demands of these groups on an ongoing basis after the program is over.

Mr. Chairman, I find that if we're not going to be very selective in this area, and if we're not going to look at some ongoing funding over and above, or beyond the end of this agreement, then we're going to run into the same darn problem over again. Mr. Chairman, it's not fair (a) to the people who develop these programs and who in fact work there and earn their living doing that, it's also not fair to the people who receive the service and who come to expect that as well.

So, Mr. Chairman, I know that the Heritage Fund, or whatever it's called, endowment fund, further on in the - the Inner-City Foundation, I'm sorry, is the terminology - is anticipated I guess to some extent to handle that but certainly will never begin with a million dollars in it to even scratch the surface.

So, Mr. Chairman, I do have a concern in Program 6 that we do look very carefully at funding these programs; look very carefully at the kind of expectations we create in the public minds, Mr. Chairman.

**HON. G. DOER:** I think my quote, when the tentative agreement was arrived at on August 19, was that we don't want to create insatiable monsters as part of the Core Area Agreement, and I don't mean that in a derogatory way. The intent of the Core Area Agreement is to bridge both the physical aspects of the area and the social aspects, and it's not intended to substitute or replace long-term agencies that are to meet the needs in social and other areas. So we have also been very careful to tell some groups that - you know, we've taken some shots from groups - that feel that they should be funded in the second agreement that were funded in the first agreement; that's fair ball.

But I think your point is well taken that we should be funding programs on the basis of bridging and with specific start-up times, with specific objectives, and specific completion times, and specific evaluative tools to appreciate the value for the taxpayers. But, at the same time, this is not intended to be a substitute for ongoing social services based on need by any level of government, and I agree with your point.

Secondly, we have not put a renewal clause in this agreement for five years from now. The first agreement did have a renewal clause in it, this one doesn't. Hopefully that will do something to deal up front with expectations. There is a clause to deal with using the model for other areas that have similar situations five years from now, but there's not the same . . . We hope that one of the ways we can be up front about expectations, and honest with expectations with groups, is partially being up front with them to begin with; and secondly, pointing out the renewal clause is not there for this Core Area Agreement.

**MR. J. ERNST:** The Program 7, Inner-City Foundation, the only comment I really want to make is I think it's a heck of a good idea. It should have been thought of in the first Core Area Initiative Agreement . . . likely and should actually contain considerably more money

than is presently there because I think a foundation such as that can provide some of that ongoing funding that we talked about in the earlier program, in Program 6 and some others. So that if everything isn't finalized, the Minister might consider maybe repriorizing some of the money inside the program to enhance the Inner-City Foundation.

Mr. Chairman, we've gone through, with regard to Program 8 Housing, I guess the Minister has heard the Logan Woods speech more than once . . .

**HON. G. DOER:** . . . three times.

**MR. J. ERNST:** Unfortunately that was the case and, of course, that's embarrassing to both the government and the taxpayer, the fact that the price of that housing did go up from \$10,000 or \$15,000, Mr. Chairman, to well over \$100,000, any which way you want to count it.

But in any event, I would only comment with respect to this program in the sense to say that — (Interjection) — Exactly, there were a few of us who had enough sense not to vote for it.

But in any event I would only hope that there will be some greater form of cost recovery in this area, on some of the in-fill housing in particular.

But I can't pass Program 9 without making a few comments about that. Program 9, the question of training and employment has been something that I guess sticks in the craw of a lot of people. I know the people involved in the city's administration and I know even some of the people involved in the provincial administration were not in favour of the core getting involved in this particular kind of program. This is a federal jurisdiction.

The Federal Government has a responsibility; the Federal Government has the mechanisms to put it in place; the Federal Government has the money to carry out the programs and quite frankly, Mr. Chairman, the Federal Government should be looking after this whole entire area.

Because some tinkering was done in the original agreement with respect to the training centre in the Logan Industrial Park, and the fact that the whole area was botched by the Provincial Government - as we talked about the other day - the fact that 50 percent of the jobs created under that training program, for all the millions that were spent on it, certainly up to and including the end of the third quarter last year, it was something in the area of 280-odd jobs, half of them were in the public sector, which could have been provided in that public sector in any event.

So, Mr. Chairman, I think this whole thing is ill-thought and should be changed; the money should be repriorized and this whole thing turned back to the Federal Government in this particular area.

**HON. G. DOER:** Mr. Chairman, this is where we have a disagreement. The training and employment, we consider a key component. In fact, both parties in the negotiations - all three parties in the negotiations agreed to increase the funding in the employment and training area - they did not agree to even decrease it; in fact it was one of the social services that went up. So the assessment of the other levels of government, the formal

assessment versus the informal assessment, is somewhat different.

In the last program, it was 9.5 million; in this program, it's scheduled to be \$12 million. The costs quoted by the member opposite, and the figures quoted by the member opposite - I think he used the statement about one bus driver and we've been informed it's in the range of 14 bus drivers - I would want to get the specific numbers, though, before I come back on that. — (Interjection) — Well, I will get to that.

The member opposite makes a point and I would be curious to know what the party opposite's position is on the Employment and Training Program. I've heard statements from you and I've listened to them and checked back on those statements. I've read quotes from the deputy critic of Urban Affairs. I carefully read through the brief on the new Core Area Renewal Program presented by the leader. There was nothing in the brief, yes or no, on the training. We personally believe in the training component of this program, very strongly.

The target population for that training group are core area residents who are unemployed and experience difficulty in obtaining full-time productive employment. They are characterized by lack of skills and formal education, standing, cultural and linguistic differences and very poor work experiences. A high proportion are single parents, immigrants, natives, and youth.

The demographics are: 57 percent are women; 26 percent are single parents; 40 percent are Native; 18 percent are immigrant population; 25 percent are youth. The average age is 27. The average level of grade completed is Grade 10. In fact, 56 percent of the group that's in this program has Grade 10 and under.

They're chronically unemployed and I asked for some statistics in terms of how many were in and how much did it cost, etc. There have been 1,042 trainees that have started, Mr. Chairman. There are 88 projects that have been completed. There are 214 presently in training. There's 72 to be trained. There's 154 who are not employed, or continuing their education - I guess it's another word for dropped out - and 388 who have completed their training and are employed.

The success rate is higher in the public service, it's about 82 percent completion and 84 percent employment. In the private sector, the completion rate is 55 percent and the employment rate is 66 percent.

The agency expenditures of March 31, 1986, were \$7.32 million. The average cost per trainee - and I think the member opposite quoted \$28,000 last time on a couple of occasions - the average cost has been \$16,656 for the public sector; \$16,887 for the private sector.

I guess the longer term is where we'll really evaluate this program because if the 388 that have completed training and are employed are working two, three years from now successfully in our community, what are the savings in terms of our welfare costs; what are the savings in terms of our UIC; what are the savings in terms of other social problems that develop out of known studies on the lack of a job. Whether we like it or not, a job, in our society today, is a passport to credibility, I guess you'd say.

We feel strongly about the training component and we're pleased that the other two levels of government, the city and the Federal Government, have agreed not only to maintain the training programs in the new Core

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Area Agreement, but have agreed - and I might add without any resistance at all - to increase the funding to that program.

We happen to think it's a good priority. We happen to believe the balance between physical and social is one of the unique factors of the Core Area Agreement. It's certainly not perfect. There have been failures in the training program and there will be failures in the future, but we think the successes outweigh the failures and I suppose really, time will tell in terms of the long-term viability of that training. We're only getting the short-term results but I think 388 trained and employed is a pretty positive thing.

**MR. J. ERNST:** Thank you, Mr. Chairman. I'm not privy to the very final statistics in that section so I stand to be corrected if in fact the numbers have significantly increased. Certainly they hadn't as of the last statement - I think it was the third quarter statement - from which those numbers that I quoted came.

Mr. Chairman, toward the end of the Core Area Initiative Agreement, the administration aspect of it, and so on, I don't think really needs any questions. So I would say that we have concluded that section.

But, Mr. Chairman, I notice, I guess, that maybe we got ahead of ourselves in terms of the Estimates, that in fact we are dealing with - as you indicated at the start of the meeting which kind of twigged my mind to it - salaries of the department as opposed to the Core Area Initiative, which is item (c). I apologize for getting ahead of that.

If we can go back then just briefly to the salary issue. As I indicated, Mr. Chairman, at the time I was concerned and we went through the whole question of the employees and the staff of the department and what they do and why there are so many people in that particular department and why we have need of those employees, etc. I was concerned that, in fact, I didn't think we needed all that staff, Mr. Chairman, and I'm not convinced, after having gone through all of that, that we really still need all of those employees.

It's my view that the Urban Policy Coordination Branch, quite frankly, is somewhat superfluous to the operation of the department. I think that, quite frankly, we've got - again as I indicated, I don't want to reflect on any individual person because that's not the intent. The intent is whether there should be anybody in those positions or not. Quite frankly, Mr. Chairman, I don't think there is a need for those people at all.

It's my view that they're there simply to second-guess the bureaucrats at the City of Winnipeg. Those people at the City of Winnipeg have, with all due respect to the incumbents in the positions in the Urban Policy Coordination Branch, considerably more experience, Mr. Chairman, in that regard.

So it's therefore my intention and I would move, THAT the following sections of the Urban Affairs Estimates, Urban Policy Coordination Branch be deleted from the current operating Estimates, namely, Section 3.(a) Salaries, \$299,900; and Section 3.(b) Other Expenditures for \$157,300.00.

The total, Mr. Chairman, is \$457,200.00.

**MOTION presented and carried.**

**HON. J. COWAN:** Mr. Chairperson, we'd like a counted vote, a formal vote, please.

**MR. CHAIRMAN:** Call in the members.

### IN SESSION

**MR. DEPUTY SPEAKER, C. Santos:** It is moved by the Member for Charleswood THAT the following sections of Urban Affairs Estimates, Urban Policy Coordination Branch be deleted from the current operating Estimates: namely, Section 3.(a) Salaries, \$299,900; and Section 3.(b) Other Expenditures for \$157,300.00.

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

Yeas, 22; Nays, 23.

**MR. DEPUTY SPEAKER:** I declare the motion lost.

### SUPPLY - URBAN AFFAIRS (Cont'd.)

**MR. CHAIRMAN, C. Santos:** The Member for Charleswood.

We are resuming the proceedings of the committee - the Honourable Member for Charleswood.

**MR. J. ERNST:** Continuing on then, Mr. Chairman, with the - shall we continue on with the - perhaps you can explain the procedure. Presumably, those items now will be dealt with in a positive manner. Is that . . .

**MR. CHAIRMAN:** Since the motion has been lost, the item stays and it will be subject to discussion.

**MR. J. ERNST:** Subject to discussion again.  
In that case, I'd yield to the Member for Riel.

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

**MR. G. DUCHARME:** Thank you, Mr. Chairman.  
I have to apologize for not being here in the original part of the Urban Affairs Estimates. However, I was doing the Consumer and Corporate Affairs.

I would just make one comment in this part of the section. It's unfortunate that previous motion did not pass. The individuals on this side of the House and that side of the House who have had city experience who understand the reason for the motion. We both feel, or I know the critic and myself through our experience, both feel the necessity of doing away with quite a bit of the Urban Affairs Department. We've gone on record of feeling that way and of doing so. I want to further those comments. — (Interjection) —

**MR. CHAIRMAN:** The honourable member - the Honourable Minister.

**A MEMBER:** On a point of order.

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

**MR. G. DUCHARME:** We're entitled to these comments. That was the reason for the particular motion. Most of us feel there are some parts of the department that are just photocopying the city administration



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departments, and it's a pretty expensive photocopy system.

I myself, can believe that probably we'd be further ahead in further consultation with the City of Winnipeg's administration, with the experience that they have, they could probably in parts of the Urban Affairs Program, take sabbatical for probably one month out of each year and handle it. I hope the Minister in his comments he made a couple days ago were tongue-in-cheek in regard to some of the comments in that the councillors or the senior staff, I think he mentioned if, in relative forms, he mentioned that the councillors would grant themselves a 600 percent salary increase. To go on record, whatever increase some of the councillors granted themselves, there were some councillors that did not grant themselves any increase, because some councillors feel that the way the proportion that is added each year of the increase, they don't have to vote themselves a raise. Some councillors feel that when they're elected at the beginning of a term, they don't take an increase for the next three years. There have been several councillors, and quite a few of the councillors have done so.

Another statement the Minister made was that he mentioned that there was a particular program that he was talking about previously, in regard to the Core, in regard to CN yards. He mentioned, in that particular case, there was some government that made the initial steps and those steps were made by some councillors with a delegation in November of 1984 to Ottawa, and I just wanted to go on record with that.

The only comments I'll hold off will go into the next section in regard to the Review Committee, and I understand - is that correct - the Minister will be going into that particular part of the program further down?

**HON. G. DOER:** Mr. Chairman, notwithstanding the fact, as I understand parliamentary procedure, once a vote is taken, that's the decision. But notwithstanding that fact, I think we have to become quite clear in this House as to whether all of us who had former careers before are merely going to be surrogate representatives of what we did in our former careers, come in here as MLA's in the Province of Manitoba in this Legislative Assembly.

I resent people who just assume certain things. You weren't here to ask the questions about what the staffing were doing. In fact, Mr. Chairman, there wasn't even a question of how the \$157,000 was going to be spent before we took the vote. There are senior transportation programs that are within that program which the City of Winnipeg approved in Council, and the Federal Government approved with Don Mazankowski, and the Provincial Government approved to get an universal program; yet there was not one question on that or what that \$157,000 was, and there was a vote to reduce it - unbelievable.

Mr. Chairman, I do not know what the Urban Affairs policy is from the party opposite. Is it merely a reflection of what one had to do when one was a city councillor, with a certain set of elected responsibility, based on a certain trust that's been placed in a civil election, to do civic responsibilities? Does that carry on and become the only view of the Urban Affairs from the members opposite, or are they representing the seats as members

of the Provincial Legislature? I think we've got to ask ourselves that - 105 pages of documents and promises that were presented in the last provincial election - there wasn't one promise dealing with Urban Affairs, not one.

When we talk about the Policy Coordination Branch of the province, I believe that the province that's spending \$33 million over five years should have one staff providing policy input, policy ideas, policy suggestions to the Provincial Government that is, in turn, authorizing that amount of money in this Legislature on behalf of the taxpayers of Manitoba. I do not consider one to deal with the Planning Branch of the Federal Government - and believe me, it's quite a bit larger than here - and the Planning Branch of the city government. I don't think that's one bureaucrat second-guessing the other bureaucrat, as has been stated by the members opposite. I think it's just intelligent use of taxpayers' money to have some policy direction to the Provincial Government that must, in turn, expend those monies and authorize those monies, and account for those monies in this House. I do not believe it's irresponsible, in fact I think it would be irresponsible the other way, to not have a representative involved in the North Portage Development Corporation, and some expertise in our area involved in the North Portage Development.

Mr. Chairman, I think it would be irresponsible to spend over \$15 million in Urban Transit in the deficit, and spend millions of dollars in innovative transit programs, without having some input in an evaluation of whether the Provincial Government, through the provincial Legislature, is getting the bang for its buck that it really believes is important.

Now that doesn't mean to say the city shouldn't have its own opinion; I believe it should; and that doesn't mean to say we won't disagree, sometimes we will and should disagree. But to not have any input in those areas, I think - and the amount of monies expended - is quite irresponsible. If this administration or the former administration is just supposed to send blank cheques over to the City of Winnipeg, I don't believe that should be the case and then we have a philosophical disagreement because that's what the members opposite are saying.

When I made the statement about the costs of the city relative to the provincial Budget, I was attempting to clarify that if the percentage of spending went down 1.1 percent over the last five years, as was cited by the critic, that doesn't necessarily mean the level of support has gone down. We have funded the increase of funding to the City of Winnipeg by 56 percent over the last five years. It could be argued that isn't high enough, and I accept that; it could be argued it should be lower, that could be argued too. I'm sure members put different opinions on the size of the deficit and the amount of the spending.

What my point was, that the province does not have the authority, nor the responsibility of establishing many decisions that have cost impact on the citizens of Winnipeg. If, for example, they want to pay a commissioner, a senior commissioner in the City of Winnipeg, \$20,000 more than the Deputy Minister of Finance pays, that's their decision and they should be accountable for it. But the relative amount of money that the province spends, consistent with the City of

Winnipeg, that's a figure based on the City of Winnipeg decisions, and rightly so.

So here we have, on the one hand, members opposite talking about just one group second-guessing the other group; and, on the other hand, saying that decisions made by the city impact on the Budget by a relative term, 1.1 percent less, and therefore we're somehow accountable for it. I don't understand the logic.

The bottom line is, Mr. Chairman, there are a number of projects: the Core area, the North Portage, the River Renewal Program; there are the transit systems, the innovative transit systems; there is the ARC Program. There are a number of other areas, the development of the new CN East Yards that require some policy advice of the Provincial Government. Hopefully, and the majority of the times we agree with the other two levels of government. The Federal Government certainly doesn't come into effect - in fact I've been at meetings with the Federal Government with as many people advising the Minister, quite frankly, as is in the whole branch of this department, seven staff. I mean it would be absolutely absurd not to have some input on the provincial amount of money that we're spending on the provincial sector side; it would be totally irresponsible.

The bottom line is the Budget went down from 300,000 last year to 299,000 this year, with no decrease in staff, so certainly we're managing our resources in this area in an effective way. The \$157,000 hasn't even been inquired about, but one of those projects is the senior transportation project, the people that can't get on the bus system as it is; and one of our long-term goals with the city and the Federal Government is to look at the feasibility of senior transportation system on a city-wide basis, on a universal aspect, because I think all of us agree a transportation system should not be located in only an area where the former Federal Minister of Transportation was located.

If we're going to have a fair system, it should be a universal one and that's why part of that 157,000, 70,000 of that will be provincial money, civic money, approved by City Council, and federal money approved by the Minister of Transportation, Mr. Mazankowski - and I should point out, Mr. Chairman, approved by Mr. Crosbie. So the members opposite are disagreeing with money that their own federal counterparts have sent.

**MR. G. DUCHARME:** Mr. Chairman, just to further that, if the members opposite are maybe being a little biased on the urban issues, it's because of course we're from that era and we, at this time, feel that it's about time the urban voice should be heard because it's long overdue. I'm not knocking the individual people who are represented in this House from the council, but there are times where this urban particular voice should be heard. When a Minister comes out with statements in regard to paying a commissioner when he doesn't know the background on how a commissioner's salary and an administration's were established.

He knows, being a member of the labour force, that a Kellogg Report was done over quite a long period of time and it was established that those were the salaries, throughout Canada, that we paid for commissioners. For him to make those types of statements is the part that we, on this side of the House

- or I hope members who were on City Council on the other side of the House - will defend. That's all we're trying to do is defend these particular issues.

As we become more accustomed and more knowledgeable about what goes on in the House, of course that knowledge will carry forward with it us; but to sit there and knock us and say that we're only discussing the urban or the city councillors' issues, of course, what are dealing with, on this particular topic at this time?

**HON. G. DOER:** Mr. Chairman, the fact that a Deputy Minister of Finance in the provincial sector gets some \$20,000 less than the senior administrator in the City Council is the business of City Council.

It is a decision of council; it's a decision of the elected representatives. I don't care what report they use, it's their decision, but then if their costs at a senior administrative level, for example, are so much higher than the province's, you can't use that as an argument in terms of relative funding to the city as a basis to criticize the province.

If the city wants to make a decision to pay their commissioners and the City Council feels in that manner, that's what they have to do to get the resources they need, fine. The province feels that we can get excellent people such as the Deputy Minister of Finance for another amount of money. That's our decision. I was using that as an example, Mr. Chairman, for purposes of comparing because you can't talk about funding from one level of government to the other level of government, as a percentage of their budget because they have the decision-making authority on their budget; and if they make decisions on their budget that are not with same degree of leanness that we may make, that's their decision, I respect that. But I don't believe we can be held accountable for their decisions on their budget spending estimates. We should be accountable for the amount of money we forward to the city, high or low, we can debate it on that basis, but there are a number of decisions in terms of how the city budget is established that are made by city councillors that are duly elected. So be it.

I mentioned the issue of urban policy. I think it's critical that we discuss the provincial perspective on our urban policy. Part of that is how the City Council feels about it, part of it is how does the Legislature expend and account for money that it's paid for and accounted for on behalf of the citizens of Manitoba through these spending Estimates? We feel those are very important Estimates and we feel we should have input on major policy issues, core, North Portage, urban transit, urban transportation, urban capital, urban development, etc.

That doesn't mean to say we have seven people second-guessing 200 people; we don't, but we do have seven people providing us advice in that area in a manner, I might add, Mr. Chairman, that has been decreased - in relative terms - not that the staff have been maintained, but the level of funding support in this Estimate is down 1,000 or so from last fiscal year, in the proposal under 3.(a).

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

**MR. F. JOHNSTON:** Thank you, Mr. Chairman.

I'm interested to know about the parliamentary system but you, as Chairman, said that the item was passed but it was open for discussion, so under that basis, I guess, that's why the discussion is carrying on.

It's very interesting to note that the Minister opposite seems to have the feeling that people that have been on council - which I was, Mr. Chairman, and many of my colleagues were on council - probably have more experience as far as Urban Affairs are concerned than they have on that side by a long shot at the best of times. We come with experience of years of working at it and not with the conceited thought that we are all of a sudden here and know everything about it without any experience whatsoever.

The department he's talking about - and by the way if we're talking about philosophy - the Minister could have been either way at one time; most of us know that. Mr. Chairman, the reason why the members feel that this department is overstaffed, because we were there, we started the Core Area Initiative. We were in the discussions that got it going as far as the Federal Government and the city are concerned.

You have a Transportation Department to advise you with transit, etc. You have all of the departments of Tourism, Small Business and the Industry Department when we were there, did the work as to whether the new commercial area should be done and all of those departments are available to give the Department of Urban Affairs advice.

Now all of a sudden we have a situation that we're being partisan because we happen to have been councillors before, when we give a reason why that department shouldn't be there from somebody who has no more experience in Urban Affairs than that chair has. Not only that, he takes the time to be critical of the council most of the time when he's supposed to be working for them. The city councillors are always going off half-cocked or not thinking or something of that nature.

Maybe if the Minister would change his attitude, things might get better with the council, etc. Maybe if he wouldn't make insinuations that people who have run for office before in their lives as they have on that side. There's school trustees over there; they've all been councillors over there, as there have been here. And to suggest that we have taken that time in our lives to be part of that is something that we're ashamed of and shouldn't talk about when we're in this House, if the Minister has that attitude, that's his problem.

**HON. G. DOER:** Mr. Chairman, in the emotion of the statement, there's some inaccuracies.

My point was - and I believe this strongly and it's backed up by facts - that I was part of the labour movement before and I was proud to be so, that doesn't necessarily mean when one gets elected by a different constituency with different responsibilities one just takes lock, step and forward every specific bias, prejudice, principle, etc., and tries to use a cookie stamp to implement it in their new job. That is totally different than what the member opposite was talking about.

I wasn't saying that the City Council - I wasn't placing any pejorative terms in terms of what decisions they were making - I was pointing out that if they had the right to make them, and I believe that they do, that

doesn't mean, if for example, the City Council in their wisdom decides to pay a senior commissioner \$20,000 more than we pay the Deputy Minister of Finance, so be it; but that doesn't mean to say that we should be accountable, in relative terms, for the level of City of Winnipeg funding, if there are different kinds of decisions made over there, that if we were making them, support them. I buy their right to make them and I think it's their responsibility and their right to make them. We don't want to second-guess them.

But we will be accountable and we would want to be accountable to the City of Winnipeg for purposes of funding that we give, not in terms of the decisions that City Council makes in terms of their spending, which is a totally different issue.

So we have members on this side of the House who have dealt with civic issues on City Council, the members opposite have. I'm asking the question that I think is very important, the issue of urban policy. I read 100 pages of election promises that I didn't see one issue in terms of members opposite, criticism of the existing Urban Affairs Department, which included the Policy Coordination Branch or recommendations that are somewhat contrary to what we had been doing and what we are continuing to do in this year's Estimates.

**MR. J. ERNST:** Mr. Chairman, obviously, I leave the House for five minutes and it degenerates totally. I can't leave the Minister alone for five minutes here.

I think, first of all, that maybe part of the misunderstanding comes from the fact that those of us on this side of the House, those period, who have served on City Council, particularly those who have served a long time, have certain beliefs, certain principles, certain desires to see things happen in a specific way. If we carry those forward, it's not a question of rubber stamping, or a question of trying to force a cookie-cutter mold type of situation at all.

The fact of the matter is, because we were involved there previously, or because the Minister was involved previously in the labour movement, he's not going to overthrow his principles simply because he changed jobs and certainly we're not going to do the same thing either, Mr. Chairman.

We come here with a certain desire in mind, but also with a certain expertise, a certain experience. It's unfortunate that the Minister doesn't have that because, when he spoke earlier of the question of comparing the Chief Commissioner with the Deputy Minister of Finance for the Provincial Government, he's actually comparing apples and oranges. He doesn't know, for instance, that the Chief Commissioner of the City of Winnipeg deals with all and is responsible for all employees of the City of Winnipeg, 9,000 or 10,000; the Deputy Minister of Finance is not. Even in comparing the Commissioner of Finance of the City of Winnipeg with the Deputy Minister of Finance of the Province, it's not the same thing again, Mr. Chairman, because what happens in the City of Winnipeg, there are police, fire and ambulance services responsible to the Commissioner of Finance of the City of Winnipeg that are not responsible to the Deputy Minister. As a matter of fact, if a closer comparison were to be made, it would be between the city Treasurer and the Deputy

Minister of Finance of the province, albeit the numbers are greater, and obviously the deficits are horrendously higher because the city has no deficit, but that's another issue.

The fact of the matter is, that when you're comparing job criteria, you cannot make the statement, as the Minister had earlier, that you cannot compare the Commissioner of the city with the Deputy Minister of the province. I think that lack of understanding and that lack of experience probably more than anything else is evident right there, Mr. Chairman, that we'll have to suffer with that for the next while at least anyway.

In terms of the motion that was put forward and the fact that the Urban Policy Coordination Branch, there is no question that I, for one, have been critical of that department and critical of the kinds of things that have come out of the department from time to time. For a very long time. It's not something new. Quite frankly, I would have expected the Minister would anticipate that I would have brought in a motion of that nature to do that because I, quite frankly, don't think that we need another group of bureaucrats there to second-guess the city ones. Mr. Chairman, I've said that on a number of occasions, this is not something new and surprisingly, I have been critical of their actions over a long period of time. I've been critical of the advice they've given Ministers over a long period of time, starting back in 1981; as a matter of fact, even prior to that which was a Conservative Government, I was, as a member of the City Council of the City of Winnipeg, not happy with matters that came out at that particular time.

So, Mr. Chairman, the question of experience needs to be addressed at this point. But, notwithstanding that, enough said, I think we should press on perhaps with the . . . Or does the Minister want to prolong it?

**HON. G. DOER:** Mr. Chairman, my point on the Commissioner versus Deputy Minister is the issue, and it was just a way of illustrating that the city does have the responsibility, it should be accountable for making certain decisions that affect the spending levels of city. I used the example, not to illustrate an apples and oranges or apples and apples comparison and go through the level of funding between the city and province on various components ad nauseam, but merely to illustrate that I think the city has the responsibility and accountability for establishing their spending levels to meet the needs as they see it in the City of Winnipeg.

The province has the priority of ensuring that the money that they fund directly to the city through departments, through Urban Affairs, or to other projects, such as, Core, North Portage is being spent to some degree to meet the objectives that, hopefully and jointly, are determined between the two levels or three levels of government. That's not unlike the Federal Government is with the province as witnessed the Bro Commissioner of financing for health care and social services that went across the country with representatives of all political parties to ensure that the money that the Federal Government was spending was consistent with the Federal Government objectives.

The Federal Government, that's accountable for a number of dollars back to parliament, should ensure,

and every day they negotiate with us conditions that we don't necessarily agree with. We don't rant and rave and say, well, their bureaucrats are out second-guessing our bureaucrats, that's not the issue. They have priorities; I respect their priorities. We have priorities and when we do place some money in some programs we have a responsibility to ensure that that money is being spent in a way, hopefully in a cooperative way, that is consistent with meeting those priorities. I believe that the Federal Government should take that approach with us. I believe we should take that approach with the Federal Government when it's a joint program, and similarly with the City of Winnipeg.

So my point isn't trying to compare the commissioners, but merely to point out that if a city makes a decision, triple, quadruple the rates. That's not the point. The fact is that they make those decisions, I respect their right to make it and that affects the overall spending - the overall spending level does impact on the level of percentage support the province makes to the city. If they double their spending, that obviously decreases the percentage that the province gives to them, so be it.

**MR. J. ERNST:** Mr. Chairman, the Minister is quite correct in his statement. But, again, the same criteria applies between the Federal Government and the province, so he can't have it both ways. The Federal Government is not suggesting how much the province should spend on health care, for instance, or how much on education or post-secondary education. That's up to the province to make that decision. But, quite frankly, every time you stand up, it's bash the feds over the head because they aren't giving them enough money. So what are they talking about? They expect to get it on one side, that no, the city can't bash the Provincial Government over the head for cutting back on the funding or for not providing adequate funding. They make their own financial decisions; they get the grant from the province and that's it. But they can't have it on the other side as well, Mr. Chairman. They can't have the fact that the province sets its spending limit and then turns around and bashes the feds over the head for not giving them enough money for adequate funding. You can't have it both ways.

**A MEMBER:** Do you want to prolong this forever?

**HON. G. DOER:** It must be the Member for Niakwa. I think that's fair ball. I think there's a level. If, for example, we announce a \$90 million capital expenditure program with the City of Winnipeg to be negotiated and, if after six years, we've decreased it by \$10 million, I think that's fair ball for the city to be critical of us. I think it's fair ball to be critical of the level of support of other jurisdictions if they change the rules in midstream as we had a couple of years ago, and even go back to Brian Ransom's criticism of the formula that was being changed by Allan MacEachen, and our criticism now of the GNP minus 2 percent formula. I don't think you should blame everything on other levels of government. I personally don't believe that, but I think each of us has to be accountable for our own decisions. So I think that distinction is important.

The fact that in health care, what is eligible for funding versus what isn't is decided fairly unilaterally by the

Federal Government. For example, I would like to see the Canada Health Act expanded to be much more preventative in nature. I'm sure the Minister of Health does, too. But those are the goal posts that we have to operate under and we try to change them, we try to influence them, we try to educate people about them, but basically, that funding is based on standards that the Federal Government establishes. That's their decision. But I guess we could go on all night as the member opposite has said.

**MR. J. ERNST:** Mr. Chairman, I think we'll leave that topic for the moment. Mr. Chairman, we have all of these urban policy coordination people in this department. We have executive assistants and a variety of staff people and so on who are providing advice to the Minister, providing advice to the government on certain issues.

Well, Mr. Chairman, there are a number of City of Winnipeg Act amendments that have been floating around since 1973. There they are. There are about 40 pages of them, Mr. Chairman, 40 pages of technical amendments, by and large, to The City of Winnipeg Act, 40 pages of amendments that have never been dealt with by this government, never been dealt with obviously by all of these Urban Policy Coordination people. What are they doing, Mr. Chairman? These things have been floating around, by and large, since 1973. Now for heaven's sake, surely technical amendments, small changes in The City of Winnipeg Act to make the government better able to function, better able to carry on its duties and carry out its mandate to the people of Winnipeg, surely the people in that department could have dealt with these technical amendments.

They could have gone to Legislative Counsel, drafted them in a bill, and presented them before this House this Session, Mr. Chairman, in order to have those changes made to allow the City of Winnipeg to function in a reasonable manner. Those are minor amendments, by and large. There is no great policy issue at stake in those amendments. They are simply to allow the City of Winnipeg to be better able to function.

Now, Mr. Chairman, I don't know what's been causing the problem to not come forward, to not be brought forward in a bill to amend the act. I don't know what the Policy Coordination people - presumably that's their job. Presumably, the Deputy Minister should have been directing those people to deal with this information, to get those kinds of bills forward before the House. It should not just be one bill right now. It should have been a series of bills over a period of time. But notwithstanding that, Mr. Chairman, there hasn't been those series of bills, so we now have a collection, a montage if you will, of these amendments to The City of Winnipeg Act that are required.

The Minister has indicated earlier that, in The City of Winnipeg Act Review, a lot of these things may well have been addressed. They may well have been, but the broader policy issues are all that came forward by and large, Mr. Chairman. In the situation here where, notwithstanding that, we're not going to deal with those amendments to any great extent, I gather now until at least next year and probably, for implementation, after the next civic election three years down the road.

So for heaven's sake, we still have the city dealing with these problems, hamstrung to a certain extent in their ability to carry out certain functions under their act. Mr. Chairman, we have no action on the part of the government. We have no action on the part of the Urban Policy Coordination Branch. No wonder, Mr. Chairman, that people get frustrated from time to time with this kind of inaction.

**HON. G. DOER:** Mr. Chairman, the bill, I think it was distributed to the House on Friday, the proposed amendments to The City of Winnipeg Act. I'll mention to the member opposite the same thing I mentioned to the official delegation at our meeting in May. It's our intent to either amend or have a rationale for not amending The City of Winnipeg Act this year in terms of some of the - and I think there's about 25 to 30 technical amendments that we have in the bill, plus one substantive amendment in the bill, proposed this round.

It's our intent to either amend, delete or deal with all the outstanding issues as the member opposite has outlined over the last number of years in the City of Winnipeg Act either this year or, hopefully, in next year's Legislative Session.

I mentioned before, the decision of government was not to bring in the final recommendations of the City of Winnipeg review in this Legislative Session. That, quite frankly, was concurred by City Council at our official delegation meeting in mid-May. In fact, City Council has agreed to attempt to come up with a consensus position on the City of Winnipeg Review Act. They have stated to us that they will attempt to do that by mid-September. I believe it's September 15. I certainly didn't want to rush out and move into amendments in this Session without more than just verbal comments on the City of Winnipeg Review from the City of Winnipeg.

We have a total analysis that's been completed by our department, an initial analysis. I've asked them to go back and look at others. In conjunction with that, I've asked them to go back and look at some of these amendments that we didn't pick up, this set of amendments in the 1986-87 year.

There are a number of, as I say, technical amendments, pages of them, that have been distributed on Friday morning formally and will be, I believe, debated at Second Reading on Wednesday, Mr. Chairman. There are some substantive items that we weren't able to deal with that require just a little more work, and we're working on that right now in terms of legislation. But there has been legislation, as you say, right the way through, even through the period of time, 1977-81.

Sometimes, quite frankly, we don't agree with the amendments needed to the act. Beyond that I, quite frankly, feel - and I don't know what the longer term of our colleagues are going to feel in terms of The City of Winnipeg Act, but some areas are substantive, and I think that's important to change. Some areas are rather insignificant, and it boggles my mind why we don't have some delegation or residual rights in the bill. Now I understand the constitutional issue of city governments is that they only get rights delegated specifically by the province to the city, versus the BNA

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Act that allows for residual rights to be more clearly undefined in a number of different places.

But it seems to me that a lot of areas like boulevard cutting and those kinds of things should be clearly - I think the substantive areas should stay in the act. I think we should clean up some of the areas of the act. For longer-terms issues, as I mentioned before, I think there should be some kind of provision for independent electoral boundary commissions in the City of Winnipeg, so there's not the potential to gerrymander in the future in the civic elections, etc. I think we should put some longer-term planks under The City of Winnipeg Act.

But it's my intent to have some of these outstanding issues - and if the member opposite feels, after reading the bill from Friday, that these matters of administrivia that should have been dealt with, if he has any specifics, I'd be willing to find the reasons for them. I've tried to go over every one of them from the city. I did say to the city at our official delegation meeting, (a) we'll wait for your responses. First of all, we'll bring in some of the legislation from last year that wasn't translated, some legislation from this year of a minor nature.

We even, Mr. Chairman, introduced at the last minute amendments to the Manitoba Police Commission that the City Council had asked for, even though they were in late in terms of our legislative agenda. I talked to the Attorney-General to get those in, and they are in the bill.

We are going to try to attempt to meet legitimate needs of the City of Winnipeg in terms of legislative proposals. At the same time, we are awaiting their response on the City of Winnipeg Review, and hopefully we can get a response in writing from City Council some time in September. But it's my intent, by 1987, to have either proceeding - when we're proceeding or not proceeding and why to the City of Winnipeg, instead of having these things sitting on pieces of paper, some of these minor items especially, that should be dealt with.

**MR. CHAIRMAN:** The Member for Fort Garry.

**MR. C. BIRT:** Thank you, Mr. Chairman.

I'd like to make a few comments and make a few observations on what the Minister has been commenting on during the last hour or so. The disappointment that I have with the Minister in taking on this portfolio is, quite frankly, I expected a little more of an open mind in taking over the responsibility of this portfolio, because unfortunately he's becoming trapped by the position of his department, quite frankly, because his department doesn't understand the dynamics of civic and urban government in this province.

In fact, all he has to do is talk to people who have been involved in dealings with this province over a number of years, and it's as if there's a great, huge stone wall when you're on the outside dealing with the Provincial Government. Whatever they throw from the top of the wall on you, that's it. Quite frankly, when you look at some of the dealings of the previous Ministers with the City of Winnipeg and how it's trying to shape its responsibilities and its sensitivities to the community, as the Minister points out, the city councillors are responsible for their elected positions and how they shape the city.

Yes, the province does have a role to play, but is it the predominant role or is it a cooperative role? I'll give three small examples in the areas where they've thrust their power on the urban government, and it affected it, I think, in a negative sense. We just have to look at the destruction of the first core agreement and the rewriting of the Logan area. We have an industrial area that is no longer in place. It moved from some 30-odd acres down to the eight or nine. We have removed two or three training educational institutions that were supposed to have been located and adjacent with that industrial park; that industrial park was to create employment. After sitting idle for several years, we now have a plant going in it. Those types of plants should have gone in two or three years ago. Any good planner who knows that you don't mix industrial, train tracks, and urban housing, quite frankly.

So the ability for those people in the Core area to receive training in the type of jobs that would be available on-site has been wiped out because of the intrusion of the Provincial Government. Where was the sensitivity analysis done? Where was the concern about the neighbourhoods and the impact on the neighbours, and being able to get jobs, being able to go down and get some training so they can go and get some employment? That was destroyed - yes, we got a few houses in place; yes, they were very expensive - but it was decided that was the right way to go. Quite frankly, insensitive government. Where was the thought process flowing through? It was a political decision; it had nothing to do with what that community needed.

Another area is in the dealing with transit buses. In attempting to control costs over the last two to three years, the City of Winnipeg has been attempting to refurbish buses and in at least one year, maybe two, the Provincial Government has stepped in and said if you want to secure our grant, you won't do it; you can't buy them; you can't refurbish; you will buy the Flyer Bus.

We all know what the Flyer Bus scenario is, but the benefit for the local taxpayer was lost in two separate years. I'm willing to bet that when one looks over the next five years, over the sale of Flyer, there's going to be a cattle prod put on the city through the financing agreements to continue to buy the Flyer bus. In fact, the entire administration of the city would prefer to buy the G.M. and refurbish. You can do it better, do it cheaper, and have a greater savings to the taxpayer.

The third area of concern, and it's been passed on to the Minister and his department over a period of time, is that I and a number of my colleagues worked very hard to develop a freedom-of-information by-law for the City of Winnipeg but, unfortunately, because the act did not contain any power, we couldn't make it reference to the courts, and that was the ultimate protection for citizens in getting information out of it. In fact, that by-law and the work pre-dated anything that was done by this government in attempting to develop its own act on the Freedom of Information Act. Our work pre-dated the government's by two years. It's only the work of the city that finally forced the one in the Provincial Government to emerge, and it's still lying dead on the shelf until it's proclaimed. We've gone almost a year, in fact, in excess of a year in trying to get this act out.

I asked last year, to the then Minister of Urban Affairs, if he was prepared to bring in an amendment to allow

the City of Winnipeg to permit citizens to access to the courts.

Those are just three examples of where this department should have been exercising, quite frankly, some better say. If that's all they can produce, then they're useless. They aren't sensitized. They don't understand the dynamics of urban government in today's province and, quite frankly, the more the government and the Minister dumps on those who are in urban government, whether they be administrators or politicians, the tougher his job is going to be. In fact, I almost think he's moved beyond the line of being about to work cooperatively with them. Oh, they'll deal, but we're talking about providing a dynamic centre of living in the City of Winnipeg and, quite frankly, it hasn't demonstrated any sensitivity to those people and the politicians in this city.

The Minister talks about providing policies for urban development in this area. Quite frankly, he should look seriously at his own department and upgrade their sensitivity and understanding of the role of the elected representative, the role that those people are playing in the City of Winnipeg and the function that the province should be playing with their whole accountability process because, quite frankly, it's been lacking over the years.

I would hope the Minister wouldn't fall into the trap he seems to be entering into of everything that his staff says is the position to argue, because it's not.

**HON. G. DOER:** Mr. Chairman, I'd like some empirical evidence that one is only listening to one source of information. I have a great deal of respect for the staff of Urban Affairs in the Policy Coordination Branch. I also respect the views of the elected officials of the City of Winnipeg. In fact, I met on three different occasions with a number of them, where we debated back various points and concerns that were concerns of the city government.

I just finished mentioning that one of the critical concerns for them was the abolishment of the Police Commission in the City of Winnipeg. They came in late under the legislative date for our purposes. We moved very quickly with the Attorney-General to try to propose amendments that are before the House in a bill that was distributed Friday to meet their concerns. Where we agree, we're going to certainly try to be cooperative; where we don't agree, I'm going to try to find means of being cooperative.

We had a different perspective of the Core Area Agreement. The 20 acres of land was naturally divided by Salter Street in the City of Winnipeg. One can talk about the sensitivity of this government to the other level of government. One can talk about the sensitivity to the people in that area that would potentially be expropriated. I guess that's a judgment call. We feel we were sensitive to both concerns, one being the industrial area - well, I guess all three concerns - the traffic flow from Winnipeg that was enhanced by the enlargement of the Salter Street Bridge area and, I believe, took three acres of land if I'm not mistaken. The development of the residential component with in-fill housing, rehabilitative housing, etc., in that area. Three, the development of the industrial site which has just been announced about a month ago which will not

only provide 220 additional jobs, but which will provide an affirmative action training program in the Western Glove Corporation and provide for facilities that are not normally known in the Core Area Agreement; an on-site day care centre in the private sector operation which will help a large number of single parents in that area work and also maintain, hopefully, adequate care for their children.

We believe we are both sensitive to the Core and the needs of the citizens in that area. Certainly the site today has an industrial component, an improvement in the transportation component, and a residential component that is an area even many editorials stated was one of the most neglected residential areas in this city, if not the most neglected area in the city.

The second area the member has talked about, and we discussed this on Thursday evening, is the Bus Program. I said to the critic opposite that I thought the city, in terms of our dealing with Flyer, a Winnipeg-based corporation we were attempting to maintain as a viable operation with good-quality jobs in the City of Winnipeg, was very fair. I also believe the province has been very fair. If I'm not mistaken - and I haven't asked for the specific briefing notes - there's a \$17 million program now between Urban Affairs and the City of Winnipeg to provide for new buses with capital purchases, and I believe it was 35, 35, and 30 this year, in the number of buses over the last three years. Again, we have spending in the next couple of years to renew the bus fleet.

Secondly, we've been refurbishing at least 10 to 15 buses a year, if I'm not mistaken. I think there was a disagreement about some buses from Calgary. I discussed those Thursday night. There was a question asked about the issue of whether we would have any conditions in the future. The letter in '86 by my honourable friend does not have a specific condition for purchase of Flyer buses. But I should say, Mr. Chairman, it's not a black-and-white issue. We want to keep that plant in Winnipeg with those jobs. We will be less slavish with the City of Winnipeg in terms of conditions that may have been there in previous years, and my predecessor has already done that in the letter that has gone out to the city.

I know City Council has the same debate. I saw city councillors come out of a meeting a little while ago with both concerns in terms of purchasing goods in Winnipeg, whether the bidding system was in fact a farce because the bid was close to the unstated or stated 10 percent and they still were purchasing in the City of Winnipeg at a higher cost versus buying something from Edmonton.

We too on this side of the House have that debate all the time in terms of the bids from foreign companies; the bids from Canadian companies; the bids from local companies. It's in everyone's best interest for Flyer and under the den Oudsten company to make a good quality bus at a reasonable cost and be purchased in Winnipeg if we can. It's not in anybody's best interest for them to sell a bus that's five times the price of G.M. - I'm exaggerating of course - and for us to use your term, cattle prod, or whatever other means to fund 50 percent of the purchase of those buses and have the city and the taxpayers pay an exorbitant amount of money. I think we have to have a balanced approach in terms of our purchase supplier; I think we've had a balanced

approach in terms of providing funds for purchases of new buses and refurbishing old buses. I don't believe our track record in terms of everything in transit has been perfect, nor do I believe the city's has been. I think some of the things we are doing jointly and cooperatively are very positive.

Last week we opened jointly the new loop at Polo Park. It was funded by Cadillac Fairview, it was funded by the province, funded by the city to have a separate loop at Polo Park so there wouldn't be the interference between bus and vehicular traffic in Polo Park; a tri-level funding agreement. There is another one going into Garden City.

The whole area of Telebus, which is an innovative transit proposal; again, those are very positive measures to hopefully improve the ridership and decrease the deficit in terms of the operating costs of the City of Winnipeg Transit system.

The whole area of the signage system; again, there's many more things that we cooperate with the city than we disagree with the city. Certainly no one in the city has disagreed about the \$17 million Capital Program for the city. Certainly the city hasn't disagreed with the issue of funding the deficit at the City of Winnipeg Transit up to 50 percent. They may have disagreed about our suggestion on the fare box kind-of-idea, they may have disagreed about the refurbishments of buses from Calgary. When you look at the whole thing in its entirety, though, Mr. Chairman, there's quite a bit of cooperation. So I suggest we shouldn't take one or two irritants out of isolation from the bigger picture.

In the third area, we have had the City of Winnipeg Review Committee study the whole Freedom of Information proposal. I have read the whole committee report that the member opposite has written with this committee in terms of this Freedom of Information of the City of Winnipeg.

The City of Winnipeg review identified a couple of potential problems. We haven't dealt with those yet. They identified the problem of the first step of the hearing being, I think, the Executive Policy Committee and how could a person have freedom of information if they have to go the person who's trying to keep the information away. It's a legitimate point; I don't know whether it's a totally valid point, but they have raised that as a concern.

The second issue they have recommended is a municipal tribunal. I don't know, I haven't talked to my predecessor about a municipal tribunal, I haven't talked to the members opposite about a municipal tribunal. When I read it, it sounded a little pedantic and bureaucratic to my way of thinking but I don't want to prejudge that.

Thirdly, the area they've identified that we have followed up on is the whole state of records; what should be thrown away, what are the access of records, how can we help the City of Winnipeg get the records up-to-scratch so that things that shouldn't be thrown away under a Freedom of Information Act can be maintained, things that should be stored in such a way that there is an inventory of those records and access to those records is fair and reasonable.

I think the report that the city councillors made on the Freedom of Information was very positive. I think some of the advice we got from the City of Winnipeg review is helpful; not all of it helpful. It's my personal

preference that when we talk about implementing the City of Winnipeg review, I'd like to hear the city councillors' comments on it. I think we have to have a Freedom of Information Act and certainly we know this with the province. It's not only the philosophy, but also it can work. But I think the document is very positive produced by City Council and I think we should have not only a Freedom of Information Act that has the recourse to the courts, but also has an intermediate step that is perceived as fair because we don't want everything to go to court, and thirdly has a system of records that means that the Freedom of Information Act can be implemented on behalf of the citizens. I support the principle, I support the findings in the other report that they have freedom of information in a positive way . . . city is a way of increasing citizen participation.

**MR. G. DUCHARME:** First of all, it was brought up about the buses and we're not here to take potshots at the previous Minister because I have to honestly say that in my five years that I dealt at City Council, he was one person that we probably got one particular situation straightened out and that was in regard to the Warde Avenue, etc. and all our urban limit lines. The Minister sat down with a few of us, not quite to the Member for Charleswood's expectations, but we came out with a good compromise position at the time. The buses were brought up - to assure you that City Council also has a little bit of forgiveness in their hearts - at the time of the buses, we could have, at the time of an order, refused to purchase buses from Flyer at a time where I know that Flyer was in great difficulty and we could have dumped on them also at the same time, so it does work both ways.

As far as the Winnipeg Police Commission is concerned, there were councillors at the time and a great many that as far as they're concerned, the Winnipeg Police Commission should have submitted for your changes when the Law Enforcement Review Committee Act came into place because since then it's been just a lame duck.

I'd like to maybe bring in or discuss at the time a couple of comments on the assessment. There were some comments made. I know one was made by the Minister in May and I guess it got a few of us riled up. The speech at the time was - it mentioned in his comments that City Hall lacked leadership in dealing with the assessment issue and that members opposite were impartial to that. Some of us came on force, that were on force at the time of the freeze that was put on, and had no bearing over what was going on with the assessment.

To the Minister, just to go on record, first of all I don't believe it is in anybody's interest to try and attach the blame for what is a very difficult situation. Clearly the lack of reassessment from the period of 1962 until the late Seventies by the City of Winnipeg contributed to this problem. We're not going to try and lay the blame entirely on one particular source of government, as equally did the freeze of the assessments through provincial legislation in 1980. This provincial legislation which was later found to be defective by the Supreme Court of Canada did also and did contribute to the problem we face today.



Just to go on record - and I know we're going to hear more and more on the assessment is the statement - and I'll read it - made by Justice Kroft and I'll read this statement: "The passage of time since the last general assessment of real property in the City of Winnipeg, together with the uncertainty about the Provincial Government's legislative intentions have led to dissatisfaction and inequity amongst the property owners. This statement is, I think, not open to much dispute. Indeed whatever excuse city officials may have had for inaction in the past, it is clear that they have been looking to the province" - and this is the important part - "looking to the province for guidance and direction for at least the past five or six years. It is evident that they would like to see an end to the existing state of affairs with regard to the assessment of land."

Just to the Minister, I think with the people and through the involvement of what I know of what my experience on City Hall was, this is true. There was this case that we were locked up in a position of the freeze and of what to do and we were looking. And I can honestly say we were looking for some type of guidance.

In light of the recent court order by Justice Kroft, the City of Winnipeg conducted a complete reassessment of all property and the same for the 1987 taxation year and which they are going to do. It is imperative that the Province of Manitoba provide assurance to the City of Winnipeg and to the single-family residential property taxpayers in the City of Winnipeg that Bill 105 will be proclaimed and be utilized to stop the shift and again, very important, stop the shift in property tax from the industrial commercial and multiple-family properties to farm and single-family residential properties which is expected to flow from the general reassessment.

The Minister did bring up - I believe on Friday he did a comparison between the City of Winnipeg - some stats on the City of Winnipeg taxes comparable to the other cities in Canada and he mentioned that the City of Winnipeg was probably in the middle somewhere of the increases I believe - correct me if I'm wrong - over the last ten years. — (Interjection) — The last five? Okay. I stand to be corrected.

Why, maybe I should ask, or ask you why are the property taxes higher in Winnipeg? Several factors which may impact on the level of residential property tax have been identified. And these are - and it's very important if you consider the provincial financial support for the other cities, the number and types of services provided by the various cities, especially health and social welfare services. I've been at some official delegations where the Minister of Health has told us, and we all agree, we all have that financial problem, and we've appeared before him on different sections of health that we feel the city shouldn't be in, because we felt that was the responsibility of the Provincial Government.

The assessment mix, which is very important, has been discussed quite extensively; the Natural Resource revenues, as an example, we all agree that Alberta and Saskatchewan over the last few years have been able to maybe take away some of their capital debt and help some other cities along the line. This is all a contributing factor in the particular taxes.

The yield of the business tax and other revenue sources, provincially mandated tax exemptions, the level

of school taxes. We seem to have the mix of taxes in with the city taxes and it's all thrown in the same bills, etc., inequities introduced into education support levy by the equalized assessment, which I know the member on my right here has probably discussed in this House, and I know other members in Education have discussed in this House.

Property tax rebates programs. First of all, maybe I could give you some examples in regard to provincial support for cities, and it's quite obvious the provinces of Saskatchewan and Alberta provide a higher level of financial support to Regina and Calgary, than respectfully to this province, to Winnipeg. To give you an example, per capita in Winnipeg - this was in 1983 figures, Mr. Minister - in 1983 per capita was 150.95 and Regina it was 140.03, and in Calgary it was 162.90.

I believe, Mr. Minister, had Winnipeg enjoyed the same per capita level of provincial funding received by Regina in 1983, Winnipeg would have received some 14.4 million in additional financial assistance. This would have had the effect of reducing the municipal portion of the property tax by 7.5 percent.

At the Calgary per capita level of funding, Winnipeg would have received some 28.1 million in additional financial assistance. This would have reduced the municipal portion of the property tax by 14.6 percent. I've tried to pre-empt some of the reasons why the cities would enjoy that. I'm not going to delve into anymore in regard to why I feel Calgary and why Regina is receiving more. I've pre-empted that by trying to stipulate that it's not only a provincial problem, but it is a city problem and we all realize that there isn't those monies available, and these other particular cities have had that advantage.

It should also be noted that the City of Winnipeg in 1983, and again this year, has requested your government - and I don't know whether that was mentioned by the critic - to make certain amendments to The City of Winnipeg Act, which would allow the city to increase the yield of the business tax and, to date, your government has not accepted these requests, although it appears favourably disposed to act on the latest request.

Secondly, something else that we found in the City of Winnipeg that affects the tax dollar would be the grants in lieu of the property tax. I know that we - I shouldn't say we anymore - I know that councillors get involved in being pressured to grant particular grants in lieu of property tax, and I know it has to be accepted by the Provincial Government, however there are cases where the school tax is to be included also and they have to hand the money back over, that portion of the grant in lieu of taxes.

But there are other buildings that the province owns that we feel - and it has been shown and I know your administration does have some records or Municipal Affairs, through the assessment, has some records - where the assessment on these buildings is quite a bit out-of-date and the City of Winnipeg isn't receiving their fair share of taxes on these buildings that everybody uses in Manitoba.

I don't want to get involved too much in regard to the school property tax because that has probably been covered under our education. But the Education Finance Review, in its report entitled, "Enhancing Equity in Manitoba Schools," has recommended, and we all

know, recommended the province ceases use of the property tax as a source of provincial education. Revenues in that province move toward funding 90 percent of the total school board expenditures. To date, once again, your government has taken no step to implement the recommendations of your particular - and I believe it was your review.

Just to sum up, I recognize very clearly, Mr. Minister, and to the Chair, that all levels of government - and I repeat that again - are facing the difficult financial situation in today's economy, and that the difficult financial situation ultimately reflects on the same taxpayer. We all know that. It seems to me though that we need to sort out the appropriate ways of ensuring a balance of fair tax for all citizens of Manitoba, without one level of government, or the other level of government, forcing unfair burdens on these people.

I stressed, and I will keep stressing, in closing, I really feel that I don't know what steps the Urban Affairs could have placed and maybe been more forceful of enforcing the Bill 105, which the taxpayers and you are going to get the brunt, the same as the city councillors and all the rest of us, come next year in 1987. There could have been a program in the last five years to maybe do a - most people don't understand the assessment, most people are confused by it - and maybe this could have been a different way or a better way of approaching and explaining to the public of what Bill 105 would have maybe accomplished or what the assessment would have accomplished if we'd come to that conclusion.

Thank you.

**A MEMBER:** It takes political courage, something the NDP . . .

**HON. G. DOER:** A little bit of courage? I'd like to know what the courage of the members opposite are on shifting the burden of taxation, which is proposed to go from commercial to residential in the City of Winnipeg. I hope you're going to support us when we find means of doing that. First of all, we don't know how big the impact is going to be.

My response in terms of the whole assessment area, and I did state and talk about it the other night. We have got a four-person committee; it has been discussed in the Education Estimates with the Member for Fort Garry as well, a four-person committee consisting of municipal, urban, education and finance. It is going to be a difficult situation.

My statement, in terms of lack of leadership, dealt with the 26-year period that it wasn't done in the City of Winnipeg, all the kind of various and sundry kinds of criteria now to establish property tax assessment in the City of Winnipeg. We talk about doing everything by January 1, 1987. I think the equipment over there is so obsolete, potentially, or from what I've heard, that we may not even get all the numbers from all the houses in the City of Winnipeg that we knew six years ago was going to have to be completed, in terms of the City of Winnipeg. We may only have a reading on every second house in the City of Winnipeg, which is going to be very, very worrisome for certainly us in the province, and should be for City Council.

The mention of Bill 105 has been raised. Bill 105 is a provincial bill. It deals with proportioning in the

province. It doesn't deal with just cherry-picking out the City of Winnipeg, as I understand it. I wish it did. It deals with the whole Province of Manitoba. It's a bill designed for the whole province, not just the City of Winnipeg that's coming on stream in 1987.

Certainly members on this side agree in the problems that will be accommodated, not only between the shift that will take place between residential and residential in the City of Winnipeg, but also a shift that may take place between commercial and residential because the whole ability to pay and the whole ability to deal with those kinds of impacts are quite a bit different. We are quite concerned about it. I wish we had all the numbers to know the total impact, and I know this has been a line that the province has used for a number of years in terms of the City of Winnipeg and the impact to the City of Winnipeg but believe me it's a legitimate concern.

How can we talk about dealing with the problems of assessment if we don't quite know what the shift will be between commercial and residential? If it's 1 percent, should we in fact provide some mechanism not to have the 1 percent shift? If it's 2 percent, is it 10 percent? What is it? How big an impact is it? How big an impact is it going to be on a resident in south St. Vital, or a resident in Charleswood between commercial and residential?

We don't have any problems with the fairness of residential assessment between residential and residential. We don't obviously want huge jumps, but we sure would want to know the numbers before we decide what is the appropriate action, keeping in mind, as members opposite have reminded us on a daily basis, there's not millions and millions of dollars in the government coffers to ante up the buffer in terms of raising the deficit. If we did, how fair would that be to other municipalities such as the Member for Portage or the members in other areas of the province?

So certainly we want the reform to take place, but we want the shift to be fair and reasonable and consistent with not only fair market value but cognizant of individual circumstances that's going to take place. As I say, we still haven't got the final numbers. We don't even think we're going to get 100 percent of the city done. Quite frankly, the machinery put in place to do that, the decisions had to be made a few years ago. It doesn't look, from our way of thinking, that it's advanced to the state it should be.

The member has mentioned factors in the funding between the province and the city in terms of support. I was quite curious. The member opposite mentioned Regina. The city residential taxes in Regina are higher than the City of Winnipeg. There's not 100 cities I can produce in the City of Winnipeg that that's the case, but certainly Regina, the figures I have, last year they were higher. Regina's higher.

Certainly, we are higher than the City of Calgary. We certainly don't provide the support that the Alberta Government does provide. I would be less than honest to say that we can do that. I don't see that we have the \$28 million, if you're suggesting to do that this year, given our commitment to be balanced and fair in our spending and be balanced and fair in terms of our long-term commitments in the deficit.

The other day we talked about the grants in lieu of taxation. We talked extensively about that, the fact that it's up to \$20 million. We discussed in the Department

of Education finances the whole area of the moving from 80 percent to 90 percent. I think the figure given to the Member for Fort Garry was some \$150 million or so to move that 10 percent additionally. I'm not sure of that. I'll have to double-check that. I was trying to follow the debate when I could.

But we have done some things that are positive, we think, for the City of Winnipeg in terms of the financial support, but I don't see next year radical increases in the level of funding directly to the City of Winnipeg in the magnitude of the \$28 million suggested in terms of the City of Calgary, and I would be less than honest if I said that.

I think we're providing some continuity and stability for the city in terms of its capital works projects by a first-time-announced six-year, \$90 million capital program. We're providing some stability in other areas that are priorities to us with a second go-round of the funding of the core and its priorities which aren't, by the way, factored in other city's calculations in terms of support from the province to the city. But we will try to be fair in our funding to the city but there's not \$28 million around the corner extra for next year's budget that I see. I think it would be less than honest to say that.

But we are concerned about the property tax assessment and what it is, what it will mean and what it will mean particularly in the shift from commercial to residential and what are the options, given we know the shift, for how to deal with that? As I say, the Minister of Municipal Affairs has discussed this in his Estimates. The Minister of Education has discussed that in his Estimates. I think the Minister of Finance has discussed it in his Estimates.

We are trying to come to grips with the empirical data as much as we can on what the impact will be for the citizens of Winnipeg, and we're vitally concerned about the sands of time running out in 1986 for the court-ordered reassessment and what that will mean for our collective - and I agree with you - it's a collective problem. We're not going to solve this by spending all our time blaming each other. When people get their tax bills, there'll be a curse on all our houses. I think all our houses being Opposition, government, city councillors, we have to find a solution that's fair and equitable and within the province's means of support, because that is another factor to deal with.

**MR. CHAIRMAN:** 3.(a)—the Member for Riel. Can we pass this item so we can start afresh, anew? — (Interjection) — Okay.

The Member for Riel.

**MR. G. DUCHARME:** The only comment I have is that I brought up the assessment because I felt it was a very important issue and a lot of times, it will get lost in the Municipal Affairs Estimates. The Municipal Affairs were here when we're dealing with urban people in the city, I believe we should probably, in light of us being criticized of bringing only home information from City Council, is the time where it's very appropriate to do so.

I'm not surprised at some of the comments. I did hear the Minister of Urban Affairs' statement on June 9 in regard to Bill 105 in assessment and I can tell the Honourable Minister that I heard this many times before and I am sure it was well prepared and written by a previous member. I'm not talking about yours, I'm talking about one the Municipal Affairs Minister had written and the statement he made in June at a Private Member's Bill.

So I can assure you that we at City Hall had the same frustrations for the last two or three years that probably that Minister is going through at the present time and that you are going to go through come '87.

**HON. G. DOER:** It's very important in that - I think the shift from residential to residential is taking place; we don't know the degree of that; we haven't got the numbers yet. Unfortunately, it'll only be till 1975, God knows when the next shift will take place and what that will mean.

We don't know the degree of shift from commercial to residential. I personally believe that should be a concern to us. Bill No. 105 is a provincial bill; this government passed it to get at those issues of shifts, but it is not in my review of it designed to go - maybe it is but we're trying to get legal advice on it - but to go necessarily and cherry pick Portage la Prairie or Virden or somewhere else. So we have to look at what the shift will be and what that will be and what that means for us and means for the ratepayers in the City of Winnipeg but in cognizance of the fact that we're in the middle of a provincial-wide process. That's the frustration. We've got about three balls in the air at the same time; residential to residential, commercial to residential - we don't know the degree - and the reassessment of what's going on in the whole province. Those are difficult but very, very important acts to balance, there's no question about it.

**MR. CHAIRMAN:** The hour being 5:30, we are leaving the Chair and the members of the committee shall return at 8:00 p.m.