



Fifth Session - Thirty-Fifth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

(Hansard)

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 27, 1994

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Mr. Speaker: I have reviewed the petition of the honourable member (Mr. Hickes). It complies with the privileges and the practices of this House and complies with the rules. Is it the will of the House to have the petition read?

Some Honourable Members: Yes.

Mr. Speaker: The Clerk will read.

ACCESS Program Funding

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

WHEREAS under the ACCESS program hundreds of students from disadvantaged backgrounds have been able to get post-secondary education and training; and

WHEREAS these students have gone on to successful careers in a variety of occupations, including nurses, teachers, social workers, engineers amongst others; and

WHEREAS the federal government has eliminated their support of the ACCESS program; and

WHEREAS the provincial government has cut support by 11 percent in 1993 and a further 20 percent in 1994; and

WHEREAS the enrollment has already dropped from over 900 to roughly 700 students due to previous cuts; and

WHEREAS the provincial government, in addition to cutting support for the ACCESS program by over \$2 million in the current year, is

also turning it into a student loans program which effectively dismantles the ACCESS program.

WHEREFORE your petitioners humbly pray that the Legislative Assembly request the Minister of Education and Training (Mr. Manness) to consider restoring the funding to ACCESS program.

Railway Traffic Safety

Mr. Speaker: I have reviewed the petition of the honourable member (Mr. Leonard Evans). It complies with the privileges and the practices of this House and complies with the rules. Is it the will of the House to have the petition read?

Some Honourable Members: Yes.

Mr. Speaker: Yes. The Clerk will read.

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

WHEREAS there have been two recent serious railway accidents in Brandon involving children; and

WHEREAS many residential buildings are near railway tracks in Brandon and in urban communities throughout the province; and

WHEREAS many units owned by Manitoba Housing have no rear yard fences, making it difficult to keep small children in the safety of their back yards; and

WHEREAS it is important that everything reasonable be done to enhance the safety of children, including steps that would minimize future possible accidents involving railways.

WHEREFORE your petitioners humbly pray that the Legislative Assembly request the Minister of Housing (Mrs. McIntosh) to consider the installation of fences in back yards of residential units owned by Manitoba Housing, particularly in those near railways.

AND FURTHER your petitioners humbly pray that the Legislative Assembly will request the Minister of Highways and Transportation (Mr. Findlay) to encourage and promote improved safety conditions to protect young children from railway and other traffic accidents.

AND FURTHER your petitioners humbly pray that the Legislative Assembly will request the Minister of Highways and Transportation to review this issue of railway traffic safety with the federal Minister of Transport to enhance and promote a greater degree of safety in the vicinity of railway trackage with particular reference to small children.

Pharmacare Benefit Levels

Mr. Speaker: I have reviewed the petition of the honourable member (Mr. Edwards). It complies with the privileges and the practices of this House and complies with the rules (by leave). Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Mr. Speaker: Dispense.

The petition of the undersigned residents of the province of Manitoba humbly sheweth that:

WHEREAS universality is a fundamental principle in the Canada Health Act and should apply to Manitoba's health care system including the Pharmacare program;

WHEREAS since the current Conservative government was elected in Manitoba the Pharmacare deductible paid by families has increased 82 percent and the deductible for seniors has increased by 72 percent;

WHEREAS the recoverable portion for expenditures in excess of the deductible amount has gone down from 80 percent to 70 percent for seniors and 60 percent for all other Manitobans;

WHEREAS as a result many Manitobans will not be able to afford necessary medications prescribed by their doctor resulting in increased hospitalization costs in the long run;

WHEREAS this will continue to drive up Manitoba's annual health care expenditure of \$1.8

billion and is not in the best interests of Manitobans.

WHEREFORE your petitioners humbly pray that the Legislative Assembly urge the Minister of Health (Mr. McCrae) to consider restoring Pharmacare benefits to their previous level.

ACCESS Program Funding

Mr. Speaker: I have reviewed the petition of the honourable member (Ms. Friesen). It complies with the privileges and the practices of this House and complies with the rules. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Mr. Speaker: Dispense.

The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS under the ACCESS program hundreds of students from disadvantaged backgrounds have been able to get post-secondary education and training; and

WHEREAS these students have gone on to successful careers in a variety of occupations, including nurses, teachers, social workers, engineers amongst others; and

WHEREAS the federal government has eliminated their support of the ACCESS program; and

WHEREAS the provincial government has cut support by 11 percent in 1993 and a further 20 percent in 1994; and

WHEREAS the enrollment has already dropped from over 900 to roughly 700 students due to previous cuts; and

WHEREAS the provincial government, in addition to cutting support for the ACCESS program by over \$2 million in the current year, is also turning it into a student loans program which effectively dismantles the ACCESS program.

WHEREFORE your petitioners humbly pray that the Legislative Assembly request the Minister of Education and Training (Mr. Manness) to consider restoring the funding to ACCESS program.

* (1335)

INTRODUCTION OF BILLS

Bill 218—The Public Schools Amendment Act

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I move, seconded by the member for St. James (Mr. Edwards), that leave be given to introduce Bill 218, The Public Schools Amendment Act (Loi modifiant la Loi sur les écoles publiques), and that the same be now received and read a first time.

Motion presented.

Mr. Lamoureux: Mr. Speaker, there is a necessity in order for The Public Schools Amendment Act—to see brought into it more parents' rights and responsibilities. We also believe that it is time that we acknowledge in The Public Schools Act learning disabilities as a part of it, and this is, in fact, what this particular bill tries to accomplish.

Motion agreed to.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon from the Elwick Community School forty-five Grade 5 students under the direction of Mr. Martin Kashty. This school is located in the constituency of the honourable member for The Maples (Mr. Kowalski).

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

ORAL QUESTION PERIOD

Goods and Services Tax Government Position

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

Tomorrow, Finance ministers are meeting, dealing with the proposed changes by the federal parliamentary committee to the goods and services tax in this country.

The federal parliamentary committee has proposed integration with the provincial taxes. It leaves open the issue of harmonizing with food and prescription drugs, and it leaves a number of other items on the agenda that, clearly, are not a scrapping of the GST, but rather a change of the

GST to another name with different applications and different harmonizations.

I know this government is opposed to the hidden nature of the proposed change, and I would like to ask the Premier, what will Manitoba's position be at that Finance ministers meeting? Will it be to scrap the tax, rather than to harmonize the tax with Manitoba?

* (1340)

Hon. Gary Filmon (Premier): Mr. Speaker, our government, of course, as I have indicated publicly, is more than surprised. We are shocked at the position that is being taken by the federal Liberal government. They ran for public office on the basis of scrapping the GST.

I have said before that the former Conservative government, in the course of its consultations leading up to the GST—and I know that I do not have to tell people in this House how much that tax was opposed by people of all political stripes across this country—in their consultations, they went throughout Canada and were told three things.

One was that the public did not want to have that tax applied to groceries and medical supplies, did want to see it as visible so that it could not be arbitrarily buried in the cost and then increased, as it has been doubled in some European countries where it is buried, and finally, did not want to have it harmonized, because implicit in harmonization is a transference of the load of that tax off the producers and onto the consumers, and secondarily, of course, it would force us to then put the tax on books and all sorts of things that we currently do not put it on, legal fees, accounting fees and, obviously, groceries and medical supplies.

For all those reasons, the public was overwhelmingly opposed to those three elements, and even the former Conservative government rejected those elements. We are not going to accept that as the answer, that we have to live with that on behalf of the taxpayers of Manitoba, that we now have to harmonize it, that we now have to accept that transference off the producers and onto the consumers of Manitoba, that we now have to

apply it to a whole net and basket of goods and services that we do not tax, such as books, such as legal and accounting fees, such as groceries and medical supplies.

That is not an acceptable answer to Manitoba, and that is the position that the Minister of Finance (Mr. Stefanson) will take forward.

Mr. Doer: Mr. Speaker, we were opposed to the original GST, and we remain opposed to the proposed alternative GST that is now before the parliamentary committee.

When I asked this question to the Premier on May 2 during his Estimates, he indicated that we would not be taking a position prior to the parliamentary committee reporting, but we would be taking a position after the parliamentary committee had reported and prior to the Finance ministers' meeting.

Could the Premier table today the written position that Manitoba will table with the Finance ministers meeting tomorrow in Vancouver?

Hon. Eric Stefanson (Minister of Finance): Mr. Speaker, if the Leader of the Opposition has had the opportunity to read the House of Commons committee report, it deals with some 20 alternatives. They are recommending the GST under another name. The federal Finance minister, to date, has not put forth his position on that report. He is waiting for the meetings that will take place tomorrow and Wednesday.

So, in one respect, though we have a Commons committee report, we have heard no position yet from the federal Finance minister. We will be receiving his position tomorrow, and, obviously, that will all be part of our discussions.

As the Premier (Mr. Filmon) has said, we oppose what the House of Commons committee is recommending for all the reasons that the Premier has outlined, and, to date, we have not seen an alternative suggested from the federal government or the House of Commons committee that is acceptable to us, but we will let the discussions unfold over the next two days and see what other alternatives the federal government might be promoting.

It is an election promise of theirs, as the Leader of the Opposition knows. They are the party that ran on the basis of replacing the GST. They have taken on the responsibility of at least putting forward some reasonable alternatives, and what we have seen so far are absolutely unacceptable, Mr. Speaker.

Analysis Tabling Request

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, the provincial government did provide their position with the last GST in writing. In answers to questions on November 13 from the member for River Heights (Mrs. Carstairs), then the Leader of the Opposition, there was an analysis by the provincial Finance minister on the number of jobs that would be lost in the short term and the projection from the Minister of Finance that there would be jobs gained in the medium term.

Could the Minister of Finance today table in the House all the analysis of the impact of the federal parliamentary committee's report, its impact on consumers, its impact on low-income people, medium-income people, and its impact on jobs and the economy?

Could the minister table that today in the House, so that the public of Manitoba can be involved in this debate, this very important debate? This tax is hated, I would suggest, Mr. Speaker, by the majority of Manitobans. Its change is probably the most important issue we are going to be dealing with this week in terms of public policy, and I think Manitobans deserve the full impact of proposed changes and our analysis of what that would mean for Manitoba families.

* (1345)

Hon. Eric Stefanson (Minister of Finance): Mr. Speaker, I agree with the Leader of the Opposition that Manitobans deserve the full analysis, all of the information and so on.

What I see coming out of the meetings over the next two days in part might be a position of the federal government, in part might be a process, and we certainly intend to have maximum opportunity for discussion with members of the Manitoba public.

We have done some initial analysis, but at this particular point in time, as I say, we do not have a final position of the federal government. What we have seen in terms of the recommendation of the Commons committee, there is information that we have prepared to indicate that a family of four in Manitoba, if the GST is now put on basic groceries and prescription drugs, would pay approximately between \$300 and \$400 more per year.

There is also a myth out there that through harmonization, provincial sales taxes across Canada can actually be reduced. The reason for that myth is because if you harmonize with the GST, there would be a process of input tax credits. So there would not be a reduction in many PSTs across Canada. In fact, if the objective was to stay revenue neutral, there would have to be an increase in provincial sales tax in a good number of provinces.

There are many myths out there, so I agree with the Leader of the Opposition in terms of the maximum information. We have done some preliminary analysis on impacts on jobs. There is no doubt that, in the short term, there would be a negative impact on jobs.

We want to wait to see what happens over the next two days as this issue develops more focus in terms of starting to provide information around a direction that we see the federal government heading. We have the information of the Commons committee, and we will see what happens in the next two days.

Public Accounts Committee Winnipeg Jets

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, I have a new question to the Premier.

This morning at a media briefing, the chairperson of the Burns committee indicated that he would be willing to brief all members of this Legislature in terms of the findings of the committee and in terms of some of the implications of the report they have submitted to this Legislature through the Premier's tabling that report after Question Period on Friday morning.

Mr. Speaker, on a number of occasions, we have asked the Premier whether he would call Mr. Burns to the Public Accounts committee, so that all MLAs could be involved in the findings in this report and so the public could see the debate and the issues before the committee, and, also, so the Auditor could look at some of the numbers, quite frankly, that are missing from the Burns report—there are a number of vague areas in that report—and so that we could have some basis of understanding what the bottom-line numbers are and the impact of its full report for all MLAs.

I would like to ask the Premier today, in light of Mr. Burns' statement, will he be asking his minister to call an immediate meeting of the Public Accounts committee where the Auditor would be there and allow all MLAs to be involved in this very important issue, and, also, allow that to be an open process for the public of this province?

Hon. Gary Filmon (Premier): Mr. Speaker, I had hoped that as of Friday, with the difficult choices that we face and the difficult challenge that we face, that I might have had the co-operation of all parties in this Legislature to try and depoliticize the issue and take it into a basis of seeking a solution.

The member knows full well that he has been invited to a briefing with Mr. Burns at 2:30 today, as has the Leader of the Liberal Party. Unlike City Council where everyone is an individual, we operate in a party system, and I would think that the Leader might take some responsibility to be the Leader of his party, to go there and seek whatever information any of his members have that has not been addressed so far.

If he has any questions whatsoever, the purpose of having Mr. Burns and many of the other players there who have been involved in the process is so that all of his questions might be answered. If some are not able to be answered because they require the input of the Auditor, we can even take those questions down and have the Auditor's response.

But if all he is interested in is having a political three-ring circus in which he can try and squeeze some more politics out of this issue, Mr. Speaker, I say to him, that is not going to solve the problem,

that is not going to meet the challenge, and I am disappointed in his approach.

* (1350)

Winnipeg Jets Federal Involvement

Mr. Gary Doer (Leader of the Opposition): I have asked for an all-party dealing with this issue before. I have participated in all-party ways with other important challenges facing this province. I reject totally the Premier's statement, and I ask him to read his own comments. If I recall the Speech from the Throne in 1990 after Meech Lake, I think he said that the public is sick and tired of people having closed-door meetings behind walls, Mr. Speaker.

I think public involvement helps all three parties find a solution. I do not believe that opening the doors to the public hurts the process, Mr. Speaker, and there is perhaps where the Premier and ourselves can disagree. I think that would help, not hurt the process.

I have a further question to the Premier arising out of the Burns report. Mr. Speaker, I have asked the government before whether the federal government would be involved, because the lion's share of the revenue, as the Premier has always indicated, goes to the federal government. In the Burns report, they clearly state that close to 60 percent of the revenue derived, they would propose, from any facility and the hockey team remaining in our community goes directly to the federal government.

The federal government has previously stated it is not interested in being involved in the infrastructure program. Now I am not sure in terms of statements. I would like to know what involvement has the Premier had with the federal government on the Burns report and how much that played in his announcement on Friday.

Hon. Gary Filmon (Premier): I cannot believe the hypocrisy of the Leader of the Opposition. That very member, when he was in cabinet, willingly met privately without any public involved in his cabinet meetings. Every week and every day, he has caucus meetings in which there is no member

of the public allowed to hear the things they discuss, Mr. Speaker.

That very member, as a committee member of the Meech Lake task force report, met in private every time they decided, all parties, on the ultimate conclusions that went into that report, all done in private. That is an absolute sham, for him to suggest that he will not meet in private to discuss issues of importance, Mr. Speaker. It is a political sham and he should be ashamed.

Mr. Speaker, the federal government obviously gains considerable revenues from the operation of a hockey club here. In fact, as I said, out of a \$14-million revenue to three levels of government, at least half goes to the federal government. So, yes, they ought to be a player, and, yes, Mr. Axworthy will be meeting and discussing it with us later today, and, obviously, there will be ongoing talks.

Bond Issue Costs

Mr. Gary Doer (Leader of the Opposition): The Premier will know that there were lots of discussions in arriving at the report on Meech Lake, and we did work together in an all-party way, but there were public hearings prior to Meech Lake, and there were public hearings scheduled after Meech Lake, Mr. Speaker.

I think Manitobans liked the co-operation around Meech Lake and the attempt for co-operation. I do not know why the Premier is so —[interjection] Well, I think the Premier is losing sight of some good recommendations.

Finally, I have a third question to the Premier dealing with the Burns report tabled after Question Period on Friday.

There is a quote in the report dealing with the whole issue of how much a bond issue would cost. We understand that today at City Council, it was reported that it would be about \$7 million annually, cost to the taxpayers.

Mr. Speaker, the problem is we do not know for how long that would be. Burns says this is less costly than the ongoing losses of a hockey team, but, of course, there is no such thing as ongoing

losses of a hockey team. It is for three years. The bond issue would be for at least 20 to 30 years.

Does the government have a financial breakdown of the actual cost to the taxpayers of a bond issue? It is not in the Burns report. It is something, if we do not have from the Premier, we would like to obtain from the Provincial Auditor, so that we can look at it in the overall context of issues that we have before us.

Hon. Gary Filmon (Premier): Mr. Speaker, the way it works is this way. If the bond issue is for \$100 million and the interest rate is 7 percent, it is \$7 million annually. If it is \$110 million and it is 7 percent, it is \$7.7 million annually. If it is \$200 million and it is 6.5 percent, it is \$13 million annually.

That is the way it works. I will send over a calculator to help him, so that he can figure that out.

* (1355)

Winnipeg Jets Player Costs

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, my question is for the Premier.

On Friday, when we were asking questions on the issue of the Jets, we did not have the benefit of the Burns report. It was tabled at the end of Question Period. Now that all parties and members of the Legislature have had an opportunity to review it, my question for the Premier is, at page 5 of that report, the Ogden report, which was commissioned by the Burns committee, specifically states, and the committee, in fact, endorses that statement: "it is our opinion that resolution of the key issues being negotiated between the NHL and the NHLPA (National Hockey League Players' Association), especially if there will be a formula by which player costs are determined, be resolved before any commitment is made to construct a new arena."

That issue, Mr. Speaker, probably more than any other, is one which is outside of our control. No matter who comes forward in the province of Manitoba with what amount of money, that issue is

out of our control and appears to be underlying all of this.

My question for the Premier: Now that he has had a chance to review this report in its entirety, is there any initiative or have there been any discussions thus far to get together with the other communities in the NHL currently, who even if they are not where we are now, are certainly going to be, to make an initiative, to sit down and get a firm commitment from the NHL, Mr. Bettman or others, as to what they are going to do to make it even viable to have pro hockey in the NHL in communities like Winnipeg?

Hon. Gary Filmon (Premier): Mr. Speaker, as I indicated on Friday, Mayor Thompson has had a group of mayors who represent smaller cities that included Mr. Duerr from Calgary, Ms. Reimer from Edmonton, the mayor of Quebec City and the mayor of Ottawa and so on, because, quite evidently, this same problem faces every one of these markets, and in addition to that, probably Hartford, probably Pittsburgh and maybe even some other American franchises. Very clearly, it is an issue that, if not resolved, would probably discount half a dozen or more of the current franchise-holding cities in the league from being able to exist viably in the NHL.

There has been a tremendous explosion, even in the past three years, of salaries. When you make a comparison, even today, the Winnipeg Jets' salary package, total salaries, is still just over half of what the Stanley Cup winning New York Rangers' salaries currently are, so you know that the upward pressure is immense. I believe there are some expectations that they can double again within three years, so this is an issue that has to be dealt with, or the viability will not work.

I understand that the mayor has an ongoing liaison for the purpose of trying to have a joint effort. They have met now a couple of times with Mr. Bettman, and he can only give them assurances that the NHL is sympathetic, understands the problem and is attempting to address it. He cannot give any firm indication that the NHL will address it until negotiations take place.

**Winnipeg Arena
Public Support**

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, my second question is for the Premier again.

Having now reviewed the report in its entirety, the other comment which I thought was very interesting in this report, at page 7, was that there was a specific recognition that no commitment would be made by a government of any kind or indeed the private sector until the public has clearly demonstrated their willingness to support a new facility. That is a statement which, again, underlies this entire debate.

I asked the Premier on Friday if he had any suggestions as to how that initiative might be undertaken. Mr. Speaker, I think it is very important to take this out of the blue-chip committees and to take this out of the halls of the Legislature and City Hall and go directly to the people of the community to somehow find what willingness they have to have this team and a new facility and how much money they are willing to put in it of their own free will.

My question for the Premier is, has he given that specific comment any further consideration over these last few days, as we head into this meeting later this afternoon, as to how that initiative might be undertaken, because, again, it is an issue that underlies many others?

* (1400)

Hon. Gary Filmon (Premier): Mr. Speaker, there are a number of elements to that. I believe there is a requirement, obviously, for significant private-sector risk capital investment.

If you believe what the Burns report puts forward, and I accept it as being a very reasonable estimate, they are suggesting that the income for the hockey team's operations from its tickets and boxes and luxury seats and so on would have to double its current level of income. That means all the tickets in the arena would have to go up substantially. Even the lowest-priced tickets would probably have to increase at least 50 percent in order to meet that kind of projection.

Unfortunately, I do not believe anybody out there who is promoting this—and there are certainly many in the sports media with, I think, good intentions who are promoting this—is saying directly to the people who phone in, are you prepared to accept a 50 percent to doubling of your tickets within the next very short while in order to make this viable? I think that has to be put out there.

In addition to that, if there is a willingness to buy season tickets and to increase very substantially the amount of money that everybody puts in who is a spectator and a fan, then in addition to that, there would probably have to be a need for another public fundraising kind of undertaking, such as was done when the WHA Jets were saved and were taken out of private ownership and into community ownership. At that time, the total requirement was about a million dollars between private and public sectors. Today, we are obviously talking about a hundred times that and the magnitude of the challenge is much, much higher.

I think that if there is going to be any solution to this, other than just straight government money, not only to pay for capital, but to purchase the team and to cover operating losses, a solution which I have obviously rejected, then I think there is much to be done, and there are many people potentially who can get involved in that effort, and many of them obviously have a strong interest in doing that.

So I think that is something that we will want to talk about, and I look forward to the co-operative participation which I know the member opposite has been offering since last Friday, and I thank him for that.

Major Tenant

Mr. Paul Edwards (Leader of the Second Opposition): My final question is for the Premier.

One other statement I want to pick up on with the Premier is, on page 9 under the optimum conditions portion of this report, No. 2, it is clear that this committee found the construction of an arena was only viable if they had one major tenant, and they see that as the hockey club which is going to use 55 nights or so a season, and they conclude

that without the team's presence, there can be no economic rationale to proceed with planning and construction, that is, of an arena.

That has never happened in this city or in this province, that we have had the debate about the facility alone, because the arena and the Jets have been inseparable since Mr. Shenkarow made that linkage, and it has been reinforced and reinforced.

Is that a linkage which is strictly necessary, in the Premier's mind? Mr. Speaker, we have never had that analysis done, outside of the Jets, in those specific terms as clearly as we have in this report. Is that linkage necessary, in fact, before we turn to the issue of an arena, that we settle the Jets' problem? Is that clear in the Premier's mind?

Hon. Gary Filmon (Premier): Mr. Speaker, I am dating myself, but I remember very excitedly going to the early games of the Winnipeg Warriors in the brand new Winnipeg Arena back in the mid-'50s. At that time, I do not think anybody would have expected that arena would last forever.

Even despite many improvements that have been made, I think it is arguable that that facility will become functionally obsolete somewhere in the next 15 years. It might be able to last with continued maintenance for another 15 years or so, but it is starting to reach the end of its economic life. Regardless of whether or not the Winnipeg Jets or any major tenant remains in Winnipeg, we will probably be, as a community, looking for an entertainment centre by the year 2010.

The difference is, without a major tenant that contributes tremendous revenue to that facility for 55 event dates a year, the economics really do not make sense in building a new facility. So, yes, the two are intertwined, and, yes, that whole argument ought to be part of the discussion, the debate and the consideration that we enter into in making this decision.

Obviously, I hope that we all bear that in mind, and in terms of the debate before the public, that that is part of the information that is always on the table when we have that discussion.

Post-Secondary Education EPF Funding

Ms. Jean Friesen (Wolseley): Mr. Speaker, this week, the Minister of Finance will be meeting with his federal counterparts to discuss, amongst many things, the changes in funding from the federal government to educational programs.

I wanted to ask the Minister of Finance, will he confirm that on his agenda is a federal government proposal to accelerate the phasing out of EPF post-secondary funding, ending cash transfers by '96-97, and can he indicate whether he has prepared an impact study of this on Manitoba finances?

Hon. Eric Stefanson (Minister of Finance): Mr. Speaker, I will confirm part of that, that, yes, the whole issue of all transfer payments are on the agenda, a combination of EPF, equalization and CAP.

All of the transfer payments from the federal government to the provincial governments are on the agenda, but in terms of the specific suggestion that the member has made, information is coming in from the federal government in terms of particular aspects under each item area, and, to date, I have not seen the specific information she is referring to.

Skills Training Loans/Vouchers

Ms. Jean Friesen (Wolseley): My supplementary is for the Minister of Education.

I wanted to ask him whether in his discussions with his federal counterparts today, whether he discussed a federal proposal to provide vouchers or loans for skills training and for literacy to Manitobans, and has he prepared an analysis of the impact of this on Manitobans and on Manitoba institutions?

Hon. Clayton Manness (Minister of Education and Training): Mr. Speaker, elements of the issue brought forward by the member were discussed, but certainly, we are in no position to react with reference to a Manitoba analysis or the impact on Manitoba.

I mean, it is just a germ in the mind of the federal government for the most part at this point in time, and, Mr. Speaker, it would be too soon to suggest what the impact might be on Manitoba.

ACCESS Programs Federal Funding

Ms. Jean Friesen (Wolseley): I want to ask the Minister of Education, finally, whether he discussed in his meetings today new student assistance plans of the federal government, and could he tell us what position he took on behalf of Manitobans for bursaries for disadvantaged students, for example, and did he, in fact, suggest to the federal government that it was time that they reinstated the money for ACCESS students in Manitoba?

* (1410)

Hon. Clayton Manness (Minister of Education and Training): Well, Mr. Speaker, the member does a disservice to people who are listening to this debate in trying to portray the meeting that we had as one where the provincial government was just asking the federal government for more money.

Mr. Speaker, the meeting that was held this morning was one that was dealing with the whole social safety net reform. It did talk about one dimension of that being, of course, the whole area of learning and training, but it had to fit into the whole change or reform.

As my colleague, the Minister of Family Services (Mrs. Mitchelson), who is taking our lead in this, would point out very clearly, the federal government is just presenting a general approach and will be more specific, I gather, once they decide, once the federal government decides, which are the better of the options to follow.

Social Safety Net Reform Federal Government Strategy

Mr. Doug Martindale (Burrows): Mr. Speaker, since October 1993, the federal government has been talking about changes to social programs. Most of the discussion has been very general in terms of discussion papers and consultations.

Now that the Minister of Family Services has met with the federal Minister of Human Resources today, I am wondering if we know more specifics, since the only specific we have had so far is the cutting of 40,000 people from unemployment insurance and putting them on provincial social assistance, which is going to cost the Province of Manitoba \$2 million a year.

Can the minister now tell us if she knows more of the details of the federal government's plans for changes to social policy?

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Speaker, I thank my honourable friend for that question.

Indeed, we did meet with the federal government, with Mr. Axworthy, this morning and still do not have a great sense of any clarity around the options that are going to be presented in a discussion paper which will be released some time later this year for public input.

Mr. Speaker, we did discuss the issues that Family Services' ministers or social services' ministers across the country made very clear to Mr. Axworthy through a communique of a meeting a couple of weeks ago that said we wanted to be full and equal partners in the process, and rather than just bilateral meetings province by province, that we should have a multilateral meeting. Mr. Axworthy did agree to that.

He is right now travelling across the country meeting with ministers that might be impacted, Ministers of Finance, Ministers of Education and Training and ministers of social services right across the country. Those meetings will be finished later on this week. After that is finished, he has committed to a multilateral process, where provinces and the federal government can come together to discuss the issues.

Mr. Martindale: Mr. Speaker, we are pleased that the provincial government is finally being consulted.

Manitoba Position

Mr. Doug Martindale (Burrows): I would like to ask the minister if she has put forward her position, her government's position on what the Manitoba

priorities are. If so, could she tell the House what her government's priorities are in terms of social policy changes?

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Speaker, first and foremost, I think what we want to see is a reduction of overlap and duplication from the federal and provincial levels. If, in fact, we have too much bureaucracy delivering programs and those programs can be delivered more efficiently and more effectively by a streamlining of services, we are very much supportive of that.

We also indicated, have in the past and will continue to indicate that a pure offload is not in the best interests of anyone. What I mean by definition of offload is to take the dollars that presently exist and cut them from old programs. We have said we want innovative, new, creative approaches that put our social safety programs into a more active, self-reliant process, rather than a passive dependent process.

We know that some of our welfare programs create welfare as a career option. That is not what we want.

Employment Creation Strategy

Mr. Doug Martindale (Burrows): Mr. Speaker, I am glad to see the Minister of Family Services shares our concern about the federal government offloading expenses to the Province of Manitoba.

I would like to ask the Minister of Family Services if her government is strongly proposing to the federal government that there be a job creation component and that the thousands of people on provincial social assistance and city assistance be put into training and retraining programs and that there be firm job creation goals, so that at the end of the day, we know more people are working.

It is not good enough to just talk about offloading. What are the government's goals?

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Speaker, it is clear that this government, our government, wants to see people moved into the workforce, become more independent, more self-reliant than dependent on a system that we have in place. We are working very

actively in order to promote that. We announced just two weeks ago the enhancement of a City of Winnipeg initiative that will employ over this next year 400 more welfare recipients as a result of putting those people into community service positions.

We are in the process of developing pilot projects with the federal government that will address some of the issues around single parents and their dependency on a welfare system and trying to have them become more independent, more self-reliant. Those programs will be announced in the near future.

Department of Health Untendered Contracts

Mr. Speaker: The honourable Minister of Health, responding to a question taken as notice.

Hon. James McCrae (Minister of Health): Mr. Speaker, the other day the honourable member for Crescentwood (Ms. Gray) asked about Dr. Lerner and his agreement with the government. That agreement runs from April 1 of '94 to March 3 of '95. The amount is equivalent to the collective bargaining agreement salary of an emergency physician with just four years of work experience. Dr. Lerner is an associate professor of emergency and family medicine with 17 years of experience.

Mr. Speaker, the honourable member also asked about Ernst & Young. During 1992-93, Ernst & Young undertook an assessment of the hospital submission process in financial management and control functions. During that study, some departmental training requirements and involvement in sessions on funding policy development were identified.

Manitoba Health awarded this project to Ernst & Young as a result of the extensive work already provided to the department. Their experience, knowledge and national exposure to new and different funding processes and models used in Ontario, the Maritimes, Saskatchewan and Alberta in developing such training sessions was the reason for their selection.

Federal Agricultural Programs Funding

Mr. John Plohman (Dauphin): Mr. Speaker, we are deeply concerned about the latest reports that the federal Departments of Agriculture and Transport will have their budgets cut by 40 percent. This not only seems to confirm federal Minister Young's recent musings that transportation subsidies will be eliminated, but worse, that farm income support programs will be slashed with a devastating impact on farmers. What makes this even more bizarre is that these reports come at the same time that consultations are underway about what type of income support program will replace GRIP and what will happen with the method of payment of the Crow benefit.

My question for the Minister of Agriculture: Has he any assessment as to the impact that such drastic cuts would have on agriculture producers in Manitoba and on the agri-food industry in western Canada? Has the Minister of Agriculture contacted his federal counterpart to indicate in the strongest possible terms Manitoba's opposition to these cuts?

Hon. Harry Enns (Minister of Agriculture): Mr. Speaker, while we speak, my federal counterpart, the Honourable Mr. Goodale, is in Chicago on behalf of Canadian farmers and Manitoba farmers, dealing with the ongoing very serious negotiations with the Secretary of Agriculture of the United States, Mr. Espy. So he is not available to me.

All members are aware that I am expecting all Ministers of Agriculture from across the country, as well as the federal minister, in Winnipeg next week, where we will have the appropriate occasion to discuss these kinds of questions.

Mr. Plohman: Mr. Speaker, I would ask the minister, when he contacts the federal minister at the meetings next week, or before, hopefully, will he ask him to clearly state the federal position on these issues, exactly what they are planning to do with GRIP and with the Crow benefit, because there is absolute confusion out there now, and express the view that Manitoba will not tolerate a charade of consultations on issues that the federal government has already decided upon?

Mr. Enns: Mr. Speaker, I want to make it very clear that, of course, we will go into these negotiations with the expectation that Canada, which traditionally has had the major role in these kinds of safety net and support programs, continues to play that role. At what level? That, quite frankly, is the issue that faces all the Treasuries of this country, provincial and federal.

But, Mr. Speaker, allow me to take this moment. That is why the thrust of this government, the thrust of my ministry, is why we need hog production, why we need Ayerst and PMU production, why we need potato production, why we need the widest possible diversified agriculture for our primary producers, so that we are less dependent on the Treasuries of Ottawa and on our own for the continued maintenance of farm families.

Mr. Plohman: Mr. Speaker, while this government is talking about diversification, they are cutting research funding that takes place—

Mr. Speaker: Question, please.

Mr. Plohman: Mr. Speaker, in view of the fact that eliminating support for western Canadian agriculture undermines our position on grain exports to the U.S., I want to ask the minister, since he referred to the meeting that has taken place with Agriculture ministers, has the minister consulted with his western counterparts prior to the agriculture ministers' meeting to ensure that we have a co-ordinated position on these important issues facing agriculture in western Canada prior to the meeting?

Mr. Enns: Mr. Speaker, the short answer is yes. I have personally visited with ministers Walter Paszkowski from Alberta and Darrel Cunningham in Regina.

This very week, one of my senior officials, an assistant deputy minister, is meeting in Regina again to kind of put forward or at least to understand a western regional position, if you like, because there are some issues, the Western Grain Transportation program being one of them, that are unique to western Canada. This is being done.

* (1420)

**Policing Services
Private Security Patrols**

Mr. Gary Kowalski (The Maples): Mr. Speaker, the province has made a number of law enforcement programs a priority. As a result of competing priorities and creating expectations for police service, several community and business groups in Winnipeg have in recent weeks turned to private security patrols.

As the chief law enforcement officer in Manitoba, would the Acting Justice minister say what he will do to ensure there is not a two-tier level of security for the city of Winnipeg, one level for those who can afford extra security and another for the rest of the citizens of Winnipeg?

Hon. James McCrae (Acting Minister of Justice and Attorney General): Mr. Speaker, I will bring this question to the attention of the Minister of Justice (Mrs. Vodrey).

Mr. Speaker: Time for Oral Questions has expired.

Committee Changes

Mr. Edward Helwer (Gimli): Mr. Speaker, I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the Standing Committee on Law Amendments for the Tuesday morning session be amended as follows: the member for Charleswood (Mr. Ernst) for the member for River East (Mrs. Mitchelson); the member for Springfield (Mr. Findlay) for the member for LaVerendrye (Mr. Sveinson); and the member for Seine River (Mrs. Dacquay) for the member for Turtle Mountain (Mr. Rose).

I move, seconded by the member for Sturgeon Creek (Mr. McAlpine), that the composition of the Standing Committee on Law Amendments—this is for Tuesday evening—be amended as follows: the member for Assiniboia (Mrs. McIntosh) for the member for Gimli (Mr. Helwer); the member for Pembina (Mr. Orchard) for the member for Charleswood (Mr. Ernst); and the member for LaVerendrye (Mr. Sveinson) for the member for Springfield (Mr. Findlay).

I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the

Standing Committee on Economic Development—this is for the Tuesday morning session—be amended as follows: the member for St. Norbert (Mr. Laurendeau) for the member for Gimli (Mr. Helwer); the member for Sturgeon Creek (Mr. McAlpine) for the member for Emerson (Mr. Penner); the member for Steinbach (Mr. Driedger) for the member for Lac du Bonnet (Mr. Praznik); the member for Lakeside (Mr. Enns) for the member for Turtle Mountain (Mr. Rose); and the member for Charleswood (Mr. Ernst) for the member for LaVerendrye (Mr. Sveinson).

I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the Standing Committee on Private Bills be amended as follows: the member for St. Norbert (Mr. Laurendeau) for the member for Pembina (Mr. Orchard).

Motions agreed to.

ORDERS OF THE DAY

House Business

Hon. Jim Ernst (Government House Leader): I wonder if you would see if there is leave of the House to adjust the Estimates schedule for tomorrow, following the Estimates of the Legislative Assembly to consider the Estimates of the Community Support Programs. It was inadvertently missed, Mr. Speaker, when we dealt with this matter on Friday.

Mr. Speaker: Is there leave for tomorrow? [agreed]

Mr. Ernst: Mr. Speaker, I move, seconded by the Minister of Environment (Mr. Cummings), that Mr. 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.

Motion agreed to, and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty with the honourable member for Turtle Mountain (Mr. Rose) in the Chair for the Other Appropriations, Employee Benefits and Other Payments, and Canada-Manitoba Enabling Vote; and the honourable member for Seine River (Mrs. Dacquay) in the Chair for the Department of Labour.

**COMMITTEE OF SUPPLY
(Concurrent Sections)**

OTHER APPROPRIATIONS

Urban Economic Development Initiatives

The Acting Deputy Chairperson (Mr. Rose): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of Urban Economic Development Initiatives. Does the honourable Minister of Finance have an opening statement?

Hon. Eric Stefanson (Minister of Finance): No, I do not. Well, maybe, Mr. Acting Deputy Chairperson, I believe it is self-explanatory what this allocation is. It is the urban equivalent of 25 percent of VLT income estimated to be generated in the city of Winnipeg, similar to what has been set aside for the last two to three years in rural Manitoba for economic development through the REDI program and so on.

* (1430)

The Acting Deputy Chairperson (Mr. Rose): Does the critic for the first opposition party have an opening statement?

Mr. Jerry Storie (Flin Flon): Mr. Acting Deputy Chairperson, of course, 25 percent is not really what has been set aside for all of rural Manitoba. The fact of the matter is that the amount of money that is going to rural Manitoba falls far short of that, certainly in terms of any money that is available for the municipalities or the community councils to spend in northern Manitoba.

But I would like to maybe just ask some more specific questions of the minister. Perhaps the minister can provide some more detail about, I guess, the sharing of power when it comes to the expenditure of this money. Is this simply part of the block grant that forms part of the grant to the City of Winnipeg? How are the decisions made with respect to the allocation of this 25 percent?

Mr. Stefanson: I will come back to that.

The Acting Deputy Chairperson (Mr. Rose): Does the critic for the second opposition party have an opening statement?

Mr. Kevin Lamoureux (Inkster): Yes, Mr. Acting Deputy Chairperson. Actually it was interesting the minister would make reference to the 25 percent, being that from the VLT revenues, in terms of the urban economic development for the City of Winnipeg. I recall the discussions and the debates that occurred when the VLT machines were implemented in rural Manitoba and in the city of Winnipeg. I believe it was two years ago when the City of Winnipeg had actually implemented—in implementing their own budget, they had anticipated on receiving more than the 25 percent because they believed that the VLT machines were going to be taking a lot out of the communities, so I guess what we will enter into is a good, healthy discussion in terms of the types of dollars that are actually coming out, going towards the program so that we can get a better idea in terms of the pros and the cons of the Urban Economic Development fund that is receiving its money from the VLT machines.

The Acting Deputy Chairperson (Mr. Rose): I thank the critic from the second opposition party for his statement. Does the minister wish to introduce his staff?

Mr. Stefanson: Yes, Mr. Acting Deputy Chairperson, seated beside me is the Deputy Minister of Finance, Mr. Charles Curtis. Across from him is Mr. Don Leitch, who is the Clerk of the Executive Council, and also Mr. Bruce Birdsell, who is the secretary to the infrastructure committee.

The Acting Deputy Chairperson (Mr. Rose): I refer you to page 152 in the book: 8. Urban Economic Development Initiatives \$10,000,000.

Mr. Stefanson: Mr. Acting Deputy Chairperson, I think it is important to outline how the urban VLT dollars are being allocated, and 10 percent is being allocated on an unconditional basis directly to the City of Winnipeg as funding, so that is actually included in the Urban Affairs budget, goes straight to them on an unconditional basis. The City of Winnipeg can utilize what in this budget is \$4 million as they see fit, and I am sure that was discussed under the Urban Affairs agenda.

This is the 25 percent that goes towards economic development in Winnipeg. To answer the question raised by the member for Flin Flon, it is a decision ultimately made by the provincial government on various projects, in consultation with the City of Winnipeg, but not unlike the Rural Economic Development allocation, the ultimate decision is made by the provincial government in terms of what projects to support and/or not support. So, on various items, we will have discussions, consultation with City of Winnipeg, and might end up having them directly with individual organizations or whatever, but, ultimately, the decision on this \$10 million is made by us as a provincial government. So the City of Winnipeg gets the 10 percent directly on an unconditional basis.

Now I know this year the City of Winnipeg built into their budget some expectation out of this pool of resources. I believe the amount they built into their budget was \$5 million, that they were expecting to get out of this funding source, to assist organizations like the Convention Centre, Tourism Winnipeg, Winnipeg 2000. We, as I indicated in the budget, are going to be assisting those organizations, but not to the level that the city was requesting. Hopefully, that is clear.

Mr. Storie: Just so we are clear, the 10 percent that was unconditional formed part of the capital grant to the City of Winnipeg.

An Honourable Member: Operating grant.

Mr. Storie: Operating grant to the City of Winnipeg. Was that new money? I mean, all you are doing is saying that it is sourced out of Lotteries now, that in fact there was no increase.

Mr. Stefanson: Mr. Acting Deputy Chairperson, I am not speaking for Urban Affairs, but, yes, that was incremental. That was new money outside of how we dealt with their traditional operating grant which, I believe, received a 2.5 percent reduction on their operating grant, but the 10 percent allocation was, one could use the expression, new money. It was outside of all of the other funding sources that the City of Winnipeg gets from the province—[interjection]

No, but just on that point, the reduction overall on the operating was a few hundred thousand dollars because the operating grant, I believe, is about \$20 million, so a 2.5 percent reduction was about \$500,000, I believe. I stand corrected in terms of the exact amount, but that is the vicinity; whereas they were provided with an additional \$4 million over and above. So, overall on the operating side, the city received a significant overall increase, I believe, of approximately 5 percent in funding because of its being the first year that they were getting the unconditional operating grant under the urban VLTs. So they did get a significant increase this year.

Mr. Storie: Mr. Acting Deputy Chairperson, then we move to the 25 percent, and from the minister's explanation, it is clear that the province will set the priorities for expending these funds. I guess my question is: What does the list include? Have the priorities been set for this year? Do they include existing or proposed infrastructure agreements separate from the next section that we are going to discuss?

Mr. Stefanson: Mr. Acting Deputy Chairperson, the member is correct. This really has nothing to do with the infrastructure agreement, which we will get to in a minute, which is entirely separate, but to date we have allocated about \$9 million out of the \$10 million.

Just over \$1.5 million is going to fund a percentage of the operating costs of the Winnipeg Convention Centre. It equates to slightly less than 50 percent of the operating requirements because when we looked at their budget, they had some items in there that we felt did not warrant support. They had a deficit carry forward, and they had some financing of some capital projects that we felt should not be funded from this sourcing.

So it does include just over \$1.5 million as a contribution to the Winnipeg Convention Centre. It includes \$720,000 as a contribution towards Winnipeg 2000, which is roughly 50 percent of their operating requirements from government. It includes \$570,000 for Tourism Winnipeg, again which is roughly 50 percent of their operating requirements. It includes \$995,000 as a

contribution to the Winnipeg Green Team program, and it includes \$5.2 million as the province's share of the estimated funding requirements for the Winnipeg Jets. Those all total approximately \$9 million.

Mr. Storie: Well, I guess that is the problem with the way the minister and his government are doing their accounting, that this is under a heading Urban Economic Development Initiatives, and it is, in part, paying for funding that the province had previously funded and decided not to. It is funding, I guess, make-work projects, The Green Team Winnipeg; it is funding the Winnipeg Jets losses.

I guess the real question is: Is this simply a slush fund that the province is using for solving the day-to-day problems it is creating itself?

Where is the imagination here? Where is the sense of direction for the city or the province in the expenditure here of \$10 million?

Mr. Stefanson: I think, if the member will look at the items being supported, he will agree that they make a very significant contribution to the economic well-being of Winnipeg. I am more than prepared to get him background information on the Winnipeg Convention Centre, the many millions of dollars that it generates for the economy of Winnipeg, obviously the work being done by Winnipeg 2000 and Tourism Winnipeg, in terms of promoting Winnipeg and what Winnipeg has to offer.

We have discussed at length, in Public Accounts and in the Chamber, the economic contribution that the Winnipeg Jets make primarily to Winnipeg, recognizing that all of these that I mentioned have other impacts on the rest of Manitoba, but most significantly on the city of Winnipeg.

The Winnipeg Green Team initiative, employing some 350 young people over the summer months, again, is a new initiative here in Winnipeg. When we were looking at the allocation, I know the City of Winnipeg was most hopeful that we would support the programs like the Convention Centre and Winnipeg 2000 and Tourism Winnipeg, that there was not a need to be out there looking for new initiatives or new

programs or new organizations. They have the basic infrastructure in place, and, rather than ignoring their requirements—they specifically asked us to support them with the needs to sustain what they feel are very significant facilities or organizations promoting economic development in Winnipeg. Those were very specifically done in consultation and discussion with the City of Winnipeg.

* (1440)

We have, as the member for Flin Flon knows, other economic development programs: manufacturing, industrial opportunity programs and a series of other kinds of programs that can meet other economic needs in Winnipeg or throughout Manitoba. But these organizations and facilities generate significant economic activity for Winnipeg.

Mr. Storie: Mr. Acting Deputy Chairperson, is it the intention of the government or is it now assumed that, for example, the ongoing losses at the Winnipeg Convention Centre are going to be covered under this particular category? Is this lottery funding now going to cover in perpetuity the loss of the Convention Centre? Is that the aim?

Are the ongoing operations of Winnipeg 2000 or Tourism Winnipeg going to be funded from lottery sources? Is that the intention of the government?

Mr. Stefanson: Mr. Acting Deputy Chairperson, at this particular point in time, there is no long-term agreement in place for the funding of any of these. These decisions were made around this particular budget here. Like many items in the budget, these will have to stand the test of scrutiny each and every budget year, whether or not they warrant the support and whether or not the government feels they should be continuing to support them.

There is no doubt they are priorities of the City of Winnipeg, and they represent—as I say, I will certainly forward the information on the Convention Centre to both members, because if they have not had a chance to look at it in the past, they will be reasonably impressed with the significant economic activity and the significant

engine that a facility like the Convention Centre is here in Winnipeg.

Mr. Storie: Mr. Acting Deputy Chairperson, I am familiar with the operation, other than the Winnipeg 2000 group, which I think, although relatively new, there are mixed views on the success of Winnipeg 2000. There is no doubt about the importance of the Convention Centre.

The point I am making here is that for the first time the government has decided to use lottery funds, basically to fund ongoing losses of various enterprises, including the Jets. I guess there are a lot of people in rural Manitoba and perhaps the people in Brandon who would say, well, we want the province to allocate funds in perpetuity for losses of the Keystone Centre.

There are other centres, Selo Ukraina in Dauphin, numerous other publicly owned facilities that would love to have their operations covered out of lottery funds, which obviously to this point have not had any success.

Just a question to the minister: Is there any intention on the part of the government to allocate 25 percent of the funding that is raised by VLTs in rural Manitoba to rural economic development? Has that commitment been made, for example, to the Union of Manitoba Municipalities or to the Manitoba Association of Urban Municipalities that have requested this similar treatment?

Mr. Stefanson: Mr. Acting Deputy Chairperson, first of all, the member for Flin Flon knows that the ongoing losses of the Jets do not go on for perpetuity. As I have indicated, the Convention Centre, Winnipeg 2000, Tourism Winnipeg are amongst the highest priorities of the City of Winnipeg when they look at economic development opportunities. We also had delegations from individuals representing some of those organizations. We had delegations from other interested organizations that are impacted by certainly the Winnipeg Convention Centre, and we were being told that these are very important economic entities here in Winnipeg, and, on that basis, feel they warrant the support from this allocation of money, which is, as we know, from

the urban VLTs to go towards economic development.

Rural Manitoba has a series of programs, the Rural Economic Development Initiative and other programs, and they would deal with each request on an individual basis. If something comes forth that makes sense for rural Manitoba, then that will be a determination of government and the minister responsible and so on whether or not it should be supported, but some of these items represent the highest priority of the City of Winnipeg. In fact, they went so far as to indicate, as I said in my opening remarks, that they were including estimated and hopeful recoveries of some contribution towards these organizations from this very source.

Mr. Storie: My second question which the minister did not answer was relative to the treatment of rural Manitoba and VLT revenues. The Union of Manitoba Municipalities and MAUM and numerous councillors and mayors across the province have asked the provincial government to set aside at least 25 percent of VLT revenue for rural economic development. The minister may attempt to fool himself that somehow that that is being done through programs like REDI. The fact of the matter is that for a number of years now there have been significant problems in that program and the amount of money that is actually being transferred to municipalities unconditionally is substantially less than what apparently has been offered to the City of Winnipeg.

It appears that the minister's explanation is right, or if I have interpreted it right, that of 35 percent of VLT revenue 10 percent is given unconditionally, and then 25 percent set aside for specific urban economic initiatives. But 35 percent of the revenue from VLTs is now going to the City of Winnipeg. The question is: When are people in rural Manitoba going to get the same kind of deal?

Mr. Stefanson: Mr. Acting Deputy Chairperson, that interpretation is absolutely incorrect. I have outlined the organizations that are the beneficiaries of the support under the urban 25 percent and they are not going—I mean, it is not directly to the City

of Winnipeg. It ends up being to these individual organizations, which, after discussions with the City of Winnipeg, were recognized as being areas of high priority. Unlike some previous governments, just because there is a pool of resources, we do not go out looking for—always looking for new and potentially frivolous ways to spend it. We have existing organizations that are in place that serve an economic need in the city of Winnipeg, that are recognized as priorities of the City of Winnipeg. We felt they warranted support, and we are doing that from this funding source.

Mr. Storie: Let us just back up to the first question that was asked. The minister suggested that 10 percent of VLT revenue was going to Winnipeg, that the \$4 million was unconditional. That is 10 percent in addition to the 25 percent that shows up under Urban Economic Development Initiatives. Is that correct?

Mr. Stefanson: Mr. Acting Deputy Chairperson, that is correct and exactly the same percentages with the same kind of allocation you will find under rural development, the 10 percent going unconditionally to municipalities in rural Manitoba and 25 percent going for rural economic development, exactly the same. Coincidentally, we will see the exact same dollar amounts because the estimates for both rural Manitoba and Winnipeg overall were \$40 million. So not only will you see the same percentage allocation, you will see the same dollar allocation.

Mr. Storie: Mr. Acting Deputy Chairperson, I certainly do not see those numbers. The amount of money that is provided to municipalities is substantially less than 10 percent of the total revenue that rural VLTs have been raising. The minister may want to confirm those numbers, but there is certainly no question that the projects—and if the minister is suggesting that the City of Winnipeg at least had some input into the projects that were funded out of the 25 percent VLT revenue—but that certainly has not been the case in rural Manitoba. That has been one of the complaints, that in fact the decisions are made by REDI, by ministerial directive, by Green Team funding out of the Department of Rural Development, and a number of other programs.

There has been virtually no consultation, and a sense that the money that is coming out of the communities, that is being sucked out of the communities is being—I was going to say wasted but maybe that is not the correct term, but certainly no sense that it is going towards the priorities that are community based or even regionally based.

Mr. Stefanson: Mr. Acting Deputy Chairperson, again, that is absolutely incorrect, and I am not here to debate the Estimates of Rural Development, although I would love to, but by being on Treasury Board, I see many of the projects that are approved, and I can assure the member for Flin Flon that all kinds of projects have input directly from municipalities throughout rural Manitoba. If he cares to look on page 138 of his Estimates book he will see Unconditional Grants - Rural Community Development \$4 million, which is the item that I referred to earlier, and he will see the rest of the allocations going into various economic development initiatives, but my understanding is Rural Development has been dealt with, and I thought we were here to deal with the Urban Economic Development Initiatives.

Mr. Storie: Mr. Acting Deputy Chairperson, the minister—I am not sure where they get the numbers from. I simply know that in communities like Leaf Rapids or Snow Lake, they are getting unconditional grants in the neighbourhood of \$14,000, which does not allow them to do anything, in essence. Although the communities are losing \$150,000, \$200,000 a year and more, the percentage of money that is coming back to the communities is far less than 25 percent. It does not appear to them and it does not appear to me that the unconditional amount that is being returned is anywhere close to 10 percent. So the minister may feel that that is the case, but there is a broad feeling in rural Manitoba and in the communities that I represent that that is not the case.

* (1450)

Perhaps that is not sufficient, and certainly it is not anywhere near the return that the communities were led to expect would be a result of the introduction of VLTs. They were told, unconditionally, that all of the money that was

raised from VLTs would be returned to Rural Economic Development, not 10 percent unconditionally and a bunch of others lumped into government programs and so forth. So I am not sure that the minister has satisfied me yet that there is any real plan in terms of Urban Economic Development Initiatives coming from what is windfall revenue for the government.

There is no sense that the money they are putting in place is going to have any long-term impact. Certainly if they are going to fund losses, if they are going to fund The Green Team and if they are going to fund the losses of the Winnipeg Jets, I think many people would argue that is short-term, shortsighted investment, and probably if there is a way of frittering away \$100 million from VLT revenue, this is the best way the government could possibly conceive of doing it. So maybe it is time to rethink, I guess, the approach that has been taken.

Mr. Stefanson: Mr. Acting Deputy Chairperson, as I have already pointed out, the allocation under Rural Development on page 138, and, I believe, the \$4 million unconditional is done, I believe, on a per capita basis, so it will vary by community to community, obviously, how much they receive. The remaining \$10 million that totals the \$14 million at the top of page 138 is basically done on the basis of projects that come forward from communities, from organizations, from municipalities, from whatever entity that feels they have an economic development project worthy of support. I guess we will agree to disagree, because the feedback I get has been overall very positive towards programs like the Rural Economic Development Initiative, towards the Grow Bonds Program and others in rural Manitoba that have benefited many communities and generated hundreds and thousands of jobs in rural Manitoba.

Mr. Lamoureux: Mr. Acting Deputy Chairperson, I have a number of questions on this particular area. I think the area that I would want to start off—I think we have to look at the REDI program, and I will try to demonstrate why.

When the VLTs were first brought in, there was a high expectation that in fact all the revenues

coming out of the VLTs would be returned back into the communities. As a result of the dollars that were coming into government through the VLT machines, it was decided that they no longer wanted to have that money going into the communities, that money being returned in the communities. But, when it did make the decision in rural Manitoba, it decided what it would do is send the money back through a program, with REDI, the Rural Economic Development Initiative.

Is that not a board or are there appointments to that particular organization?

Mr. Stefanson: Mr. Acting Deputy Chairperson, again, I assumed both members had an opportunity to be at Rural Development to ask any questions about programs under their jurisdiction.

Having said that, I know that the Grow Bonds Program has a board. I do not believe REDI does, but I would have to get information and confirm. I know the Grow Bonds Program does have a board of citizens from throughout the province that reviews and makes recommendation on individual Grow Bonds applications and programs. I think the REDI program is dealt with administratively and works its way through ultimately to the minister for recommendations on through Treasury Board and cabinet. But I will confirm whether or not REDI has a board or not.

At the same time that the member talks about the wants and desires of rural Manitobans, rural Manitobans have also told us, loud and clear, to get the deficit under control and ultimately eliminate it here in Manitoba, and that is what we are on our way to doing.

Mr. Lamoureux: The reason why I asked, Mr. Acting Deputy Chairperson, is that for some reason I was under the impression that under the REDI program there was some broader-based decision-making group, if you like, to establish priorities in terms of rural economic development projects.

I guess I would ask the minister, what is out there? How does the minister base his decisions on who is going to be getting what of this \$10 million or this 25 percent share?

If it is just government or the minister through meeting with one or two different organizations that make application to the Department of Finance, I think that there are potentially more problems that could be had. We constantly hear of slush funds of sorts.

No one would question in terms of the economic benefits of organizations or capital investments that need to be made, such as the Convention Centre, but if we are talking about urban economic development and we are talking about these new dollars that are coming into place—if we did not have the VLTs introduced in the city of Winnipeg, does this mean that the Convention Centre would not have received provincial dollars?

What is actually in place to ensure that these dollars are, in fact, being used for what government claims that they are being used for, that these are, in fact, new projects that money would not have been allocated out to?

Mr. Stefanson: Mr. Acting Deputy Chairperson, first of all, on the REDI and the Grow Bonds process, as I say, I think the Grow Bonds have a board; I do not believe REDI does. But, under both of those, the recommendations ultimately make their way through the system through to the minister and then are part of recommendations of Treasury Board and cabinet for ultimate approval. So, ultimately, the government still makes the final decision. On the REDI, I know there is an application process in place that has certain criteria built around it. Obviously, staff of Rural Development are in rural Manitoba dealing with individual municipalities, organizations, and so on, in terms of projects that meet their needs.

This is the first year of the 25 percent allocation to the City of Winnipeg, and the member asks the question about whether or not we would support the Winnipeg Convention Centre, Winnipeg 2000, Tourism Winnipeg. If these funds were not available, the answer might be that we might not.

The other part of it is that if we were not able to support them through this, the City of Winnipeg may not be supporting them, and we might not have a Convention Centre, which was the second built in all of Canada and does generate, if the

member has not seen, significant activity. We just had the Federation of Canadian Municipalities having their national convention here a week or two ago. It is a series of activities that take place there.

So this has become very important at this particular stage of that facility, along with these other organizations that I say, the City of Winnipeg says, most major urban centres in Canada have an economic development organization. Most have a major tourism organization. They do play a significant role for the economic well-being of Winnipeg, and they are recognized as amongst the highest priorities for the City of Winnipeg in terms of our providing support out of this resource.

Mr. Lamoureux: Mr. Acting Deputy Chairperson, I guess, ultimately, my fear would be that we are playing the shell game here, much like when we built the casino. A lot of people opposed the casino, but you say that the monies are going towards health care. So people felt, oh, gee, it is kind of warm and fuzzy inside, saying that it is going to a good cause, so that might limit debate to a certain degree.

Well, who is going to oppose urban economic development? So, to take VLT revenues to urban economic development, again, it is one way of possibly sidestepping an issue, the moral issue of gambling, if you like, in the sense that many people will look at it and say, well, this could end up with jobs, and jobs are a positive thing and that is what we want. Manitobans continuously tell us that that is, in fact, their No. 1 priority.

* (1500)

I think that if we compared the two programs, it is 25 per cent, and the number of applications, for example, if the minister had at his finger tips, the number of applications that were received in under the REDI program, and then compare that to the number of applications or the number of identities that are out there that have made application for this particular program—I do not have the facts, and this is 100 percent speculative. I am just guessing at this. My best guess is that, under the REDI program, you have likely received tenfold in terms of the numbers of interests in different

projects, different rural economic projects, whereas in the City of Winnipeg we have seen, under the last one, five recipients of this particular program.

If we had an application process and individual Manitobans or companies or unions aware of the fact that we have this urban economic initiative that is available, it is coming out of VLT revenues, and if you have got a good idea, bring it to us.

You know, on the surface, this looks more like grants that are going to be issued had we had the VLTs or not, because no one would call into question the value of having the Convention Centre and doing the necessary capital expenditures in order to bring it up or better compare it to be able to compete in the '90s. I would like to think that whatever government, of whatever political stripe, would recognize that importance and allocate out the necessary dollars in order to do that.

I would ask the minister specifically: Is the department looking at having some form of an application process which opens up this particular program, or does the minister feel that this is the best way of dealing with this particular program?

Mr. Stefanson: Mr. Acting Deputy Chairperson, no, we are not at this time looking at expanding it into a broader application kind of a form. We have various numbers of sources for financial support within different government programs. Without listing them all, there is the Manufacturing Industrial Opportunities Program. There is the Manitoba Industrial Recruitment Initiative. There is now the Crocus Fund in Manitoba. There is the Vision Capital Fund. There is the Manufacturing Adaptation Program. There is the small business assistance program. There are a series of programs out there that can help individuals or businesses depending on what niche it is they are pursuing or what the nature of their business is.

This also provides a vehicle to support economic development initiatives, but in terms of looking at meeting the needs of individual businesses, we did not see the need for another program as such application process because there are these various programs that can assist businesses to either

expand or relocate here in Manitoba, as well as other things we have done through the taxation system like our Manufacturing Investment Credit, like our Research and Development Tax Credit. So there are a series of initiatives that are beneficial to businesses of all sizes.

This one is meant to capture some other initiatives. We have outlined the ones so far, and I am sure there will be some other initiatives that the member will find projects both that he can support and that he will find exciting for Winnipeg. He has already indicated that he recognizes the significant economic activity that Winnipeg Convention Centre provides here in our city, and these were done as a result of discussion with the City of Winnipeg in terms of meeting what they viewed as some of their greatest economic needs here in the city.

I should point out that on page 152, under Urban Economic Development Initiatives, it says: "Provides funding for Government directed economic development initiatives within the City of Winnipeg."

Mr. Lamoureux: Mr. Acting Deputy Chairperson, getting back to the shell game, if you like, the Department of Tourism, I am sure, and again, the minister likely knows more than I on this particular issue, Tourism Winnipeg would have received funds from Department of Tourism, or is this the first time that they would have received grant dollars?

Mr. Stefanson: Mr. Acting Deputy Chairperson, first of all, there is no shell game being played, and, to the best of my knowledge, it is the first time that they would be receiving support for operations. We might have done some joint initiative with them under the tourism agreement, some joint marketing or promotion or something like that on a project basis, but in terms of meeting the needs of their operation, this is the first time, to the best of my knowledge, that they are receiving direct operational support to meet their ongoing, day-to-day needs of their organization.

Mr. Lamoureux: So, for Tourism Winnipeg, that is operational monies. With Winnipeg 2000, I would ask if that is, in fact, also operational

money. If the answer to both of those is yes, I would assume that they are going to have operational costs for fiscal years '94 and '95. Is the government going to be considering incorporating these requests in on an annual basis into future budgets?

Mr. Stefanson: Mr. Acting Deputy Chairperson, we spoke specifically about Tourism Winnipeg, and, as I say, I would stand to be corrected in a very slight way, but on an ongoing basis I know there has been no operational. There might have been a start-up support or something. Similarly, with Winnipeg 2000, there has been support on occasion, but, again, not on an ongoing basis. When I refer to operational, obviously I am referring to a combination of their staff, their infrastructure, their marketing programs, some of their publications, all of the things that they are doing to promote economic development here in Winnipeg.

So that is the nature of comparing the past to where we are today. As I indicated to the member for Flin Flon, allocations under this pool of dollars will be made each year during budget time as we do with \$5.3 billion or \$5.4 billion every year, and we will be doing the same in this area in terms of whether or not there is a need to continue to support these organizations in the future.

I cannot today predict what their operational requirements will necessarily be, depending—I mean the Convention Centre obviously can swing fairly significantly depending on the number of conventions it gets, events and those kinds of things. So the amount has the potential to vary fairly significantly from year to year, as, I believe, do the other two organizations depending on what other funding sources from the private sector, other initiatives, that they can come up with to work towards being more self-sustaining.

Mr. Lamoureux: Can the minister give some sort of indication in terms of The Green Team, the Winnipeg Green Team? I know that there was a new service that did go out explaining that. If the minister can maybe just expand on or comment on that particular program?

Mr. Stefanson: Mr. Acting Deputy Chairperson, I will get all of the details that were handed out when the announcement was made several weeks ago, but it is an initiative to employ young people, I believe, ages 16 to 24 here in Winnipeg working on a series of community initiatives. Different nonprofit organizations can apply for funding support for staffing. When I say organizations—like community centres—can apply to The Green Team for, I believe, up to five positions, again, I am just giving the general parameters; I stand to be corrected. So they can get the financial support provided for that staffing, I think, to \$8 and about 30 cents an hour, and they can also get a small contribution towards the project itself, I think of up to \$5,000 per project, if they need some supplies for these young people to either do maintenance or painting or whatever.

So that is probably a good example, community clubs. It also can be used by nonprofit organizations and other organizations of that type to do enhancements to facilities and so on, and meet the needs that they might have over the summer months and obviously employ, I believe the estimate is, about 350 young people. I can certainly get the details, the project announcement application information for both members.

Mr. Lamoureux: Mr. Acting Deputy Chairperson, I guess, finally, I just wanted to reiterate a point and would possibly even appreciate some form of information, knowing that we are not in Rural Development. I would like very much to get something from the REDI program in terms of that application process, because I do believe that it allows for more local community input by having a criterion that is established so that if a local community has an idea that they believe would be good for urban economic development, there is a process that can be followed. Personally, I would not mind to be able to compare the two because at one point the member for Flin Flon made reference in terms of a question of equitability between distribution of these dollars both to rural and the city of Winnipeg, also in terms of the mechanisms that we use to ensure that they are getting the 25 percent, which is a significant percentage, and also that it is

15 or 10 percent that the City of Winnipeg would get—is it 15?

An Honourable Member: Unconditional?

Mr. Storie: Unconditional. Is it 10 percent? Yes, but if the minister would take it upon himself to some time over the summer get me that information I would appreciate it.

Mr. Stefanson: Mr. Acting Deputy Chairperson, yes, I will. I just want to point out that, as I think the member knows, there are over 200 municipal organizations throughout rural Manitoba, and we have had extensive discussions, consultations with them through parent organizations like Union of Manitoba Municipalities, Manitoba Association of Urban Municipalities, through rural economic forums that we have held throughout various parts of the province and through the minister responsible attending the regional meetings, participating in a whole range of forums with them to get feedback on all of the things, how well they are working and what improvements can be made in terms of how we deliver these programs. But, yes, in terms of program process, the applications on the REDI, I will undertake to provide the member with that information.

* (1510)

Mr. Storie: Just one other question on this Lotteries Funded Appropriations, it is not strictly Urban Economic Development Initiatives, but a related matter, I guess, and that is the use of VLT funds to support capital projects in some of the 52 communities that fall under the Northern Affairs department. I am wondering whether there was any discussion or any consideration of including a portion of the Lotteries funds, which clearly come from citizens living in Northern Affairs communities, into some special appropriation to the Department of Northern Affairs.

Mr. Stefanson: Mr. Acting Deputy Chairperson, we really are very much into another department. I will take the substance of that question as notice and follow up with my colleague, but, again, my understanding is there is obviously nothing precluding those communities from applying under the programs that currently exist, but the member is suggesting, if I understand it, a separate

allocation from within that for a particular region of the province. As I said, the substance of that I will take as notice.

Mr. Storie: I appreciate that. The minister should know that the Rural Economic Development Initiatives and the monies, even the per capita dollars that flow to municipalities, do not flow to Northern Affairs communities, I believe. Certainly there have been no major projects funded in Northern Affairs communities from Lotteries funds.

The amount of capital that is being expended this year by the Department of Northern Affairs is exactly the same as it was last year, and it is substantially less than the ongoing capital contributions through the years 1981 to '88, which were \$4 million or \$5 million.

The infrastructure in our Northern Affairs communities is deteriorating. Its lack of capital contribution in part of the Department of Northern Affairs, on an ongoing basis, as I say, it is about 50 percent of what it was a few years ago. There does not appear to be any major kind of influx of support from lottery revenues. I would simply argue that it is time we recognized that they too are making their contribution. Although one might argue that some of the REDI programs may have been used in Northern Affairs communities, I think, by and large, that is not the case, and there may be a way of supporting the infrastructure needs by targeting some of those dollars. It is a suggestion.

Mr. Stefanson: Mr. Acting Deputy Chairperson, I will take it as that. As the member himself indicated, I do not think there is anything precluding those communities from applying for the programs that exist under Rural Development, but I note his suggestion.

The Acting Deputy Chairperson (Mr. Rose): Resolution 27.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,000,000 for Other Appropriations, Urban Economic Development Initiatives for the fiscal year ending the 31st day of March, 1995.

**Canada-Manitoba Infrastructure Program -
Capital**

The Acting Deputy Chairperson (Mr. Rose): We will now move to item 27.9 Canada-Manitoba Infrastructure Program - Capital.

Does the minister responsible have an opening statement?

Hon. Eric Stefanson (Minister of Finance): Mr. Acting Deputy Chairperson, very briefly, I think as members know, we were one of the first provinces to sign the infrastructure agreement with the federal government. As of June 10 there are some 293 projects that have been announced, totalling approximately \$178 million out of the total allocation of \$205 million, the estimated direct jobs as a result of the announcements to date: about 3,200.

We are very pleased with the overall progress that we have made to date, the outstanding co-operation we have received from the Union of Manitoba Municipalities, the Manitoba Association of Urban Municipalities and the City of Winnipeg, amongst many others, in terms of moving this particular initiative along.

For the sake of moving this item along, that is all I will say, and I will look forward to questions.

The Acting Deputy Chairperson (Mr. Rose): Thank you.

Does the critic of the official opposition party have an opening statement?

Mr. Jerry Storie (Flin Flon): Mr. Acting Deputy Chairperson, we are going to get into the details of the \$23.8 million. It seems to me that this is another bit of a shell game that the Minister of Finance is playing with the people of Manitoba.

The provincial commitment is \$68.2 million. I think everyone understands that the vast majority of that \$204 million has been allocated, projects approved for the vast majority of it, so the likelihood of the province only spending \$23 million in this fiscal year, I think, is probably quite slim. There is certainly a realistic chance that much more than that will be spent this year.

In any event, I guess the major problem I have with this whole program is, what was initially to be

a far-reaching structural improvement kind of program for the province turned into what has happened in the past, I guess, and unfortunately too often happens, an effort to satisfy every small project, everyone's smaller dream, if you will, in the province. When you look through the list of projects, I just fail to understand how they can legitimately be called long-term infrastructure goals of the province.

There are a couple of exceptions that were announced when the initial announcement, the federal-provincial agreement was announced. They include the rural gasification initiative which was some \$21 million, but the vast majority of the remainder fall into the category of small other capital projects. They include sidewalks and fixing up municipal buildings, et cetera.

I would like, first of all, an explanation or some information on the current allocation versus the total allocation and perhaps some comment on whether the \$23 million is a reasonable expectation for the next fiscal year.

The Acting Deputy Chairperson (Mr. Rose): Does the critic for the second opposition party have an opening statement? [interjection] Thank you.

Mr. Stefanson: Mr. Acting Deputy Chairperson, we feel that the \$24 million is a reasonable allocation. I did say in my brief opening remarks that we have allocated \$178 million out of the \$205 million, but on all of the project applications, we had estimated start-up dates, the time frames over which the project will be obviously worked on. So we had the opportunity to look at which years various projects fall into and where the majority of work will be done, and at the same time recognizing that under the agreement with the federal government in the first year we have to spend 35 percent, otherwise it lapses.

So I guess I am just indicating that we do intend to spend the 35 percent because of the number of projects that we have had. We have had about a five-to-one request under this program. When all is said and done, I would suggest that we will be very close to our allocation in this year because some of the projects, and some of the more significant

projects, spill over quite significantly into next year. One obvious one is the Route 90 underpass here in Winnipeg with the vast majority of that being done next year. That is a very significant project.

So, yes, it is a reasonable allocation that meets the needs of the agreement. We would argue that with the approach that we and the other levels of government have taken to this whole initiative, besides just doing sewer and water which are important in many communities throughout our province, the objective all along was also to do other infrastructure-type development that will benefit our communities for many years into the future.

We think we have struck a good balance between traditional and municipal programs and other interesting and innovative programs in a whole range of areas that will benefit various communities, various sectors of our economy and all of Manitoba.

* (1520)

Mr. Storie: I guess that is a convenient explanation, a convenient point of view if you are the minister. I am not sure, looking at the projects, that it is really very realistic. We had an opportunity to spend \$200 million collectively for projects that were longer term, difficult to do because of the scope of them, and it seems that again we took the easy way out.

With all due respect to the communities where we are upgrading fuel tank standards, in Dunrea, a community that I am familiar with, I believe in the member for Turtle Mountain's (Mr. Rose) constituency, it is hardly the long-term kind of project that I think most people would feel would be the most beneficial to the long-term economic interests of the province of Manitoba.

Having said that, I guess I would like to know from the minister where a couple of the big projects are. He mentioned Route 90. The Premier (Mr. Filmon) was saying the other day in the House that this was an important project supported by all three levels of government. Today, in the paper, one of the councillors, the deputy mayor, I believe, is saying he is not sure that Route 90 was

the city's priority, which leads one to wonder about the logic, the necessity of spending a huge amount of money, a huge percentage of the total funds on this particular project.

Mr. Stefanson: Mr. Acting Deputy Chairperson, I am not about to comment on comments of an individual councillor through the media.

What I would base my understanding of this entire initiative on is through direct discussions we have had with the City of Winnipeg and obviously with the federal government. The City of Winnipeg has been a full participant in terms of the priorities and the decision making on all of the urban initiatives, and before the member steps out, for one moment I want to point out to him that the underpass was the very first project submitted by the City of Winnipeg—not the last, it was the first project. So I would hope that gives him a sense of some of the priorities that the negotiators for the City of Winnipeg are giving, not random comments of an individual councillor through the media. This has been a very thorough, comprehensive process with, I think, excellent input by the other levels of government.

Within rural Manitoba, priorities are being selected by the local governments. I think, as the member for Inkster knows, in rural Manitoba they are being reviewed and approved by the Union of Manitoba Municipalities and by the Manitoba Association of Urban Municipalities. They are both the review process and the final approval process, and certainly the feedback they have given me has been very complimentary, as has been the feedback from most municipalities throughout rural Manitoba. Our relationship with the city and the federal government has been excellent in terms of determining overall priorities for the city of Winnipeg.

Mr. Kevin Lamoureux (Inkster): Under this particular program there are some cities that actually went for the major projects. I believe it is in Quebec they are building—is it a convention centre, or it could even possibly be an arena.

I am wondering if the minister can indicate whether or not there were any discussions on using infrastructure dollars for a much larger capital

investment, and specifically, the whole question of an entertainment facility.

Mr. Stefanson: Mr. Acting Deputy Chairperson, the member is correct in terms of Quebec receiving some support for a convention centre facility. I should point out that each agreement has various unique features with each individual province. I think that was the first project announced in Quebec. My understanding is that it was a project they were going to do anyway and had the opportunity to do it through the infrastructure.

In terms of his other specific question about an arena, there were some brief discussions about funding an arena through infrastructure, but the final conclusion was that the kind of dollar amount that has always been talked about from levels of government was what was referred to in the Mauro report, roughly \$30 million. So again, it is the same kind of overall dollars we are talking about, not that there was an opportunity to do something from infrastructure over and above what else governments might do. It was never viewed in that context of making it part of a larger contribution from government so it was an either/or, whether you would provide some support under infrastructure or whether you would provide it in some other way, if you were going to provide it.

I think, for our part, the recognition was that the federal government has supported arena initiatives in many cities across Canada from outside of infrastructure. Ottawa just recently received I believe about \$8-million or \$9-million support for their facility outside of the infrastructure agreement, and other support for other facilities has happened in that way.

So, although there was some brief discussion, obviously we did not have the benefit of the Burns report and other information as we were going through this information, and the decision was if governments were going to play a role, that there would be an opportunity to do that outside of infrastructure, recognizing we still impose the same general limitations. We were never discussing infrastructure, because it is still government money, it is still coming from the three levels of government, it is still coming from

the taxpayers of Manitoba, that this would not be something that was done over and above any other contributions that governments might make. I do not think anybody ever thought of it in those terms, nobody that I ever had any discussions with, including the federal government and the City of Winnipeg, that it was always an either/or if the governments were going to do something, not both, that the capacity is not there to be doing both.

Mr. Lamoureux: I just seek some clarification. So the indication was it is an either/or, that you cannot do both? Like, for example, Route 90, providing gas in rural Manitoba would not have been possible under this if, in fact, the City of Winnipeg or the province or the federal government wanted to go ahead and build some form of an entertainment complex?

Mr. Stefanson: I guess one technical point is all of the infrastructure projects that we referred to, the 293 projects have all been on the basis of a submission, and nobody put forward a submission for anything to do with an arena. The City of Winnipeg did not put forward any submission for an arena as part of an infrastructure project. So, from a technical sense, there was no submission for that particular project.

Having said that, I think, when we have had discussions around the Mauro report, around the arena, the kinds of dollars as potential contributions that were talked about were in the vicinity of \$30 million. I guess, without—trying not to be repetitive, the very brief discussions held around this initiative were on the basis that that would be the overall contribution potentially from three levels of government.

So, not that there was an opportunity to do something here and then governments would still be called upon to do something else outside of the infrastructure agreement for another significant sum of money. So we come back to the kinds of discussions, without the two of us wading into that in any great detail, the discussions we have had over the course of the last—on Friday and today here in this building about the requirement for a contribution of in the vicinity of \$90 million to \$111 million for a facility from governments based

on the financial report that came out of the Burns committee.

Those kinds of discussions never took place around infrastructure funding. It was always on the basis of the magnitude of dollars that was referred to in the Mauro report, and it was on the basis of sourcing it maybe from this pool of funding, not that it would be incremental from any other support that governments might give. Hopefully that is clear.

* (1530)

Mr. Lamoureux: I would imagine that the province of Quebec, the convention centre is not being fully financed. Again, I could be wrong, it is just speculation, that it is not being financed 100 percent through the infrastructure program, that the infrastructure program is just one other vehicle or pot of money that is being tapped into in order to make the convention centre more economically feasible in terms of the construction of such a site.

Here we have a significant sum of dollars. It could be a number of years before we get any additional sums of this magnitude anyway, and even though it might not be fair nor appropriate to say that 100 percent of it would have to be financed through an infrastructure program, I am wondering if the Minister of Education (Mr. Manness) can indicate whether or not he foresees any form of entertainment facility, whether it is as an arena, whatever it might be, possibly built without tapping into a program such as this, where you have joint agreements between different levels that are prepared to put in sums of dollars. Surely to goodness, if the infrastructure money is all allocated out and the province or the city or the federal government then says, look, now we want to build an entertainment centre, you would get the province of Quebec and other jurisdictions saying, well, just wait a minute; you could have used infrastructure money like other jurisdictions did in order to make that one-time capital expenditure. So I would ask the minister that.

Also, again for clarification, if the Minister of Finance can indicate whether or not the federal government or the provincial government—he has already indicated that the city government—so

those two levels of government ever put on the table for discussion the possibility of using infrastructure monies for any form of an entertainment centre, whether it is an arena or whatever it might be.

Mr. Stefanson: I am trying to think of the simplest way to say this, Mr. Acting Deputy Chairperson, but I guess it is when we looked at something like the possibility of a new arena in Winnipeg, we viewed what can taxpayers reasonably be expected to put into a new arena, irrespective of whether it comes from infrastructure, Lotteries funding, tax dollars, whatever the sourcing might be, what would be a reasonable contribution and expectation from the taxpayers.

The Mauro report referred to \$30 million. That has been the kind of number that I think three levels of government have been certainly talking about and that was the kind of number that, when we had a very, very brief discussion at our infrastructure committee around whether or not an arena should be supported, it was always in that vicinity, not \$100 million, not \$111 million.

So I guess, whether one argues it is the infrastructure or where you would source it, it is still all money that is generated by taxpayers here in Manitoba to the three levels of government. So I do not know how I can put that more succinctly, that we just viewed what is the maximum amount that governments collectively, and I think that has been the view of—I cannot speak for the other two levels of government, but I have not seen either of the other levels of government coming forward in the last few days suggesting that they are prepared to put in \$40 million or \$50 million or \$60 million or \$70 million into a new arena. If the member is aware of a level of government suggesting that, I would be interested to hear that.

We started on the premise of what is a ballpark or a range that governments could be expected to potentially contribute, discussed that and came to the conclusion that there were so many other requests and needs under the infrastructure agreement, that the timing was still slightly further in the future in terms of an arena when we were having these discussions, that we continue to get

pressure from the Federation of Canadian Municipalities, along the line of what the member for Flin Flon I think alluded to, the traditional needs of many of the municipalities.

FCM, of course, adopted the position that all \$205 million should go into sewer and water and basic municipal infrastructure, not deviate at all. A heavy construction industry in Manitoba adopted a position of certainly significantly contributing to their industry. The member has probably met with them on occasion. So you have all of these different groups that come forward saying, here are our priorities; here are our needs.

We did it on that kind of a basis in terms of looking at whether or not this would be a funding source for potentially an arena in Winnipeg, but never on the basis that you could be looking at a combination from here and a combination from somewhere else that make the contributions from government up in the \$111-million vicinity. That was never a basis of discussion from any of the levels of government suggesting that was something we should even be considering and, as I say, from a technical point of view nobody brought forward an application on this project to begin with. So our discussions were always more generic, more conceptual of the issue of an arena.

I should point out, I think much to Winnipeg's frustration is that Winnipeg was the second major convention centre built in Canada. At that time they received no federal dollars. Subsequent to that, most other convention centres built across Canada received significant federal dollars. There are some in Winnipeg that argue if a facility is going to be built, the federal government should be doing it outside of the infrastructure agreement, that there are many other pressures. As I said in my opening comments, to date we have in excess of 700 to 800 applications and requests for \$800 million towards this program, and that does not include any requests for an arena. So it gives you a sense of the wants, desires and needs that are out there in Manitoba.

Mr. Lamoureux: The minister indicated that 35 percent of the monies actually have to be spent in

this fiscal year. What would be the time frame for the balance?

Mr. Stefanson: Mr. Acting Deputy Chairperson, a minimum of 35 percent has to be spent this year, fiscal '94-95. A minimum of 50 percent has to be spent next year in '95-96. A maximum of 15 percent can spill over to what would be the third year, because all along it has been portrayed as basically a two-year agreement. So that forces a minimum of 85 percent over these two fiscal years.

Mr. Lamoureux: What percentage then would actually be at this point in time approved as being classified as being allocated out? At what stage of the percentage point are we at?

Mr. Stefanson: Mr. Acting Deputy Chairperson, about 80 percent has been committed. I think I indicated at the outset \$178 million, and that is out of a program of \$205 million. It is approximately 80 percent that has been committed to date.

Mr. Storie: Mr. Acting Deputy Chairperson, I would like to revisit the issue of Route 90 again.

When the program was announced and the initial allocation was made, in the area called road works—I forget, it was one section—the City of Winnipeg received \$59 million out of the total of \$65 million in that section.

The Acting Deputy Chairperson (Mr. Rose): Excuse me, would you mind pulling your microphone a little closer, please? Thank you.

Mr. Storie: If the minister wants the details, it was Kenaston Boulevard, Wilkes to McGillivray Boulevard, \$9.7 million; Kenaston Boulevard underpass, \$29 million; Lagimodiere, \$1.2 million; residential street renewal program for the City of Winnipeg, \$9.9 million; and community services infrastructure renewal program, \$10 million—a total of \$59 million out of \$65 million for the City of Winnipeg.

The one project that stands out obviously as the single most expensive project is the underpass. The minister suggested that I not weigh too heavily the remarks of one councillor from the City of Winnipeg when he identified that this was not the city's priority, although there was a suggestion that

was political pressure to make this the city's priority.

* (1540)

Given the amount of money that is being spent on this one project, given the uncertainties surrounding the necessity of this project including the possible merger of CN and CP, certainly the desire in the past on the part of many people in the city of Winnipeg and outside for the relocation of that line, it strikes me that this is one of the projects where the government, if it wished, could do some reallocation yet if someone would show some leadership and say that this is not a necessary expenditure at this point in time.

Now I know the minister is going to argue that this is an important project and, of course, there may have been a period of time when it was viewed as essential, but there are alternatives. Certainly, although we have heard referenced the necessity of developing this route as an important piece of the puzzle I guess in terms of the development of the Winnipeg Airport, again, there are alternatives and there are alternative routes to the airport, routes that would not necessitate the building of this underpass, routes that would alleviate any necessity of heavy traffic coming down that particular route to the airport that would simplify transportation traffic.

I am wondering whether this particular project was vetted with the alternatives in mind or was it simply a quick look at some priority list that the city had sent or somebody had sent to the provincial government, along with the political priorities of this government, that went into the decision making. Have alternatives to that underpass been considered since the initial allocation?

Mr. Stefanson: Mr. Acting Deputy Chairperson, I did not take down the numbers that the member was reading into the record, but I think he accumulated them from, probably, announcements made at the time. In terms of how the allocations were done initially, I think he knows \$60 million was allocated to rural Manitoba for priorities to be determined by that review committee of the UMM

and MAUM. In fact, not only do they determine them, they are the final recommendation on them.

Sixty million was allocated to the City of Winnipeg, again, for priorities within the city of Winnipeg, and \$84 million was allocated for what was called strategic initiatives of which rural gasification and the Route 90 project are two of the largest expenditures in the strategic initiative, \$84 million.

An Honourable Member: . . . which two?

Mr. Stefanson: Rural gasification and Route 90, those two together would total over \$50 million.

I want to assure him, and I think he knows there are no uncertainties around this project if he has had the opportunity to talk to CN and, if not, he should do that. I would encourage him to do that. This is a project that is supported by the three levels of government. I sat in on the meetings with representatives from the city and from the federal government.

Since he is attributing things to newspaper columns and remarks, he would have noted the comments of a member of the federal government—I believe he is not the M.P. for the area adjacent there, one Mr. Reg Alcock, on Friday or Saturday—his comments about the merits of this project and the need for this project.

I want to assure him that this project, like all of them, will go through all of the due process, all of the licensing, the permits and the environmental assessments that are required for a project of this magnitude. I guess I am somewhat disappointed that he does not recognize the need for this project and the benefits that it will create for Winnipeg and all of Manitoba, that this is the No. 1 underpass requirement of the city in their capital budget. It is the first underpass that should be done in terms of their priorities.

I am sure he has travelled throughout all parts of the city. He would recognize that Route 90 is a major north-south route throughout our city, immediately adjacent to our 24-hour airport, the home to several of our major trucking firms. I think we have seven of the 11 interprovincial trucking firms with their headquarters here. The

majority of those would be on Route 90, at the north end of Route 90, but the majority of them would be on Route 90. Route 90, in terms of the access to the airport and the access for our major north-south route through Winnipeg, is the major route.

It represents significant economic opportunity as we see more development taking place at our 24-hour airport, and the significance of transportation in general in Manitoba. The combination of our airport, of our rail and of our trucking industry—these have traditionally been economic strengths of Winnipeg and will continue to be economic strengths of Winnipeg, but you have to have the infrastructure in place to ensure that that will be the case, and that is part of what putting the underpass on Route 90 near Wilkes will do.

Mr. Storie: Well, I certainly would not want to take issue with such an august group of people, but there are other people in the community, amongst them, obviously, city councillors, who do not feel that is necessarily the case.

I would certainly argue that a north-south route, if you wanted to develop one which was going to be used by heavy trucks on a continual basis, should be the Perimeter. It should use the Perimeter, and it should come into the Winnipeg Airport which is supposedly, and hopefully will be, some sort of intermodal, strategic transportation hub in the not-to-distant future. Why you would want to now start developing a route—and the minister should be well aware that Kenaston is not even developed through to Whyte Ridge at this point, never mind the other communities that are in line with that particular route that are going to be disrupted as well.

It just does not make any sense. The Perimeter is only a few miles away. The Perimeter is designed and built for heavy truck transport. It is designed to be a route to this centre. I realize that this would have been on the priority list of the administrators of the City of Winnipeg. I realize that when the City of Winnipeg was asked for an initial list of projects that were on the shelf that could be

proceeded with quickly, the underpass would have been on the list.

I am not arguing that you should not proceed with the development of Kenaston Boulevard. The fact is that developing Kenaston continuing on south may, in fact, make a great deal of sense. The minister knows that that is not the only location that may require, or would require, if you asked the people in the cars, an underpass. The same could be said for Waverley and just off Grant. They may require an underpass there as well, and there is heavy traffic on Waverley as well.

The point is, and the question is, what is in the best long-term interests of the city, and what is the best way to spend this money at this point? I think if you asked the citizens, never mind the people that are already opposed to the further development of Kenaston—and there is a group now in the city of Winnipeg who are opposing the development—but if you asked people generally, where would you want traffic, potentially traffic carrying dangerous goods? Would you want them going through residential community after residential community, or would you want them on the Perimeter coming down into the airport in an area which is, at this point, undeveloped agricultural land for the most part still? I think the answer would be obvious.

I am saying, just because this was on the drawing books and has been on the drawing books since the 1970s does not mean that it has to be the priority today, nor necessarily should it be.

We are talking about spending \$30 million in an area which will ultimately result in heavy traffic through existing residential areas, developing residential areas, when I do not think it is necessary.

There are other people, including people who are involved with the Winnipeg Airport development authority, who have another plan, who might believe that an alternative is even better.

* (1550)

So I wish the minister, I hope the minister, although we all want him to proceed and expend as

much of this money and create as much economic activity as is possible, I think we should not be afraid to reprioritize, to rethink, as the circumstances warrant.

Mr. Stefanson: Mr. Acting Deputy Chairperson, I guess this is going to be a case of where we agree to disagree, which happens on occasion around here. I have indicated that this is with the support of the two others levels of government, this project, recognizing the need.

The member talks about trucks. I would encourage him to drive Route 90, and he would find out that trucks already travel on Route 90.

He talks about the Perimeter being a few miles away. I am not sure what he means by all of this in terms of how he is going to access the airport from, I guess what he means, the west Perimeter or the north Perimeter, what he is implying by access from the Perimeter. I live in the west part of Winnipeg, and I am not sure whether he is talking about doing something to Inkster Boulevard and then some other way of getting in or what his grandiose, multimillion-dollar plan probably is.

He talks about opposition, as well. Having served on Winnipeg City Council, I can assure him that you do not do a major urban project without some opposition, including even the Kildonan Bridge. I happened to be on City Council at the time with some of my colleagues, when the Minister of Urban Affairs of the day, who happens today to be the Leader of the Opposition (Mr. Doer), in the House made it conditional that the funding was conditional on us proceeding with the Kildonan Bridge; in fact, suggesting that the Kildonan Bridge should be moved ahead of Bishop Grandin and ahead of the Charleswood Bridge if we wanted to receive the funding, and I am sure even that project had opposition. Any major urban infrastructure initiative in Winnipeg has opposition. They all do. That is the reality of dealing with any changes.

The member does know that the extension through to Whyte Ridge is also part of a separate initiative and will be done under the infrastructure, as well.

He refers to Waverley. Well, obviously, there will be no need to do any underpass at Waverley Street when an underpass is done at Route 90.

So it is a project that has the support of all three levels of government, has economic benefits for the city of Winnipeg and is one worthy of all of our support, I assure him.

Mr. Storie: Well, Mr. Acting Deputy Chairperson, I feel immeasurably better now that the minister has explained that.

I do not think the minister is being forthright with the committee. Certainly, it is a political priority of many people, but I think that some sober second thought on this particular project might be worthwhile.

I do know where the Perimeter is. I also know where the airport is. I know that this route is already travelling extensively through residential areas, so the traffic certainly is not coming from south Winnipeg down Kenaston at this point. What the minister is going to do is encourage that, rather than—most of the traffic or much of the traffic is going to be going north-south, not only in the city of Winnipeg but outside the city of Winnipeg, and if it is going to be traffic particularly heading into the United States and beyond, then you might as well use another route.

Having it all transported through the residential sections of the community is, I think, shortsighted, and that is why I think this decision should be reconsidered. Perhaps they could find some other way of spending that money which would be more in the long-term interests of the community, as well as not interfere with the enjoyment of the community by others.

Mr. Acting Deputy Chairperson, I will leave that for the time being. The minister and I are going to disagree obviously, and it seems that they are going to insist on proceeding, whether it really makes sense or not.

The second issue was the gasification program, and there was some \$21 million set aside under the original allocation for rural gasification. I am wondering if the minister could update us on that particular initiative.

Mr. Stefanson: Mr. Acting Deputy Chairperson, Centra Gas is currently going through a series of meetings and information forums in the communities that are affected, and I guess on the basis of the outcome of that, would then be pursuing entering individual agreements with those communities. Obviously we will be then dealing with the infrastructure secretariat and the funding in terms of carrying on with the project subject to, obviously, communities supporting it and signing on to be a part of it. So they are right in the midst, I think. Maybe some have been held already, and I know they were scheduled to basically be held in the last few weeks of June. So we are awaiting the outcome really of those meetings that are taking place.

Mr. John Plohman (Dauphin): Mr. Acting Deputy Chairperson, I wonder if the minister has at his handy disposal a complete list of all projects approved so we could have a nice, concise, complete, up-to-date list with all of the costs or project costs. I know we have received some at different times in an ongoing—we have not received a total list.

Mr. Stefanson: Unfortunately, I do not have copies of a complete list here today. As the member has indicated, he has seen them as they have been announced. We can certainly undertake to provide a comprehensive list to members if they so want, and we would gladly do that.

Mr. Plohman: I say that, yes, we would like that. I do not know whether the minister would like to do it constituency by constituency or—

An Honourable Member: We do not do that.

Mr. Plohman: There is one member across the way saying that that is not done that way. I assume then that the minister does not have lists based on constituency approvals.

Mr. Stefanson: As projects come in they are assigned a number, and we can either provide a listing in numerical order for the member or by alphabetical listing. Those are both readily available through our information system.

Mr. Plohman: The minister is saying then that the constituency-by-constituency approvals is only for internal use.

Mr. Stefanson: Mr. Acting Deputy Chairperson, I should indicate that with a little bit of work, we could provide that what the member thinks would be useful to him, a listing of projects on a constituency-by-constituency basis, either federal constituencies or provincial constituencies, but I should point out to him that in the case of the rural projects, the \$60-million rural allocation, that was reviewed and approved by the Union of Manitoba Municipalities and the Manitoba Association of Urban Municipalities. All of the recommendations have been accepted for the \$60 million, and no other projects within that \$60-million pool of resources have been approved, other than the ones that have been recommended and approved by that committee.

I am sure he is not in any way suggesting political interference with those decisions, because they are being made by municipal representatives from across Manitoba who take this task very seriously and I think have done an outstanding job on behalf of communities throughout our province.

* (1600)

Mr. Plohman: Mr. Acting Deputy Chairperson, I do not imagine that the minister is being overly sensitive about the request on a constituency-by-constituency basis. I never said anything about political interference by either himself or other groups. I simply wanted it based on a constituency basis. I think it is worthwhile information so we can get a good comparison. I would appreciate if the minister could provide it on that basis.

It is particularly important for my constituency and I will ask some questions about that. I would think that it is very relevant considering that the minister says the municipalities have recommended the expenditures and projects up to now, and they have all been approved upon recommendation by the municipalities. Is that correct?

Mr. Stefanson: I do want to suggest to the member for Dauphin, I am not the slightest bit sensitive. I just indicated it would take a little bit of work of the secretariat, but if that is the information he thinks would be of value to himself or this committee, we will undertake to provide it.

Maybe I am being a little bit repetitive from earlier, but when the initial allocation was done, of the \$205-million total project, \$60 million was allocated to rural Manitoba for what was determined to be traditional municipal projects. That is the \$60 million that the UMM and MAUM are making recommendations and we have been accepting their recommendations on. Sixty million has been allocated to the City of Winnipeg for the same idea. Eighty-four million has been set aside for the strategic initiatives. So within that \$60 million that I referred to that MAUM and UMM have recommendations over, yes, we have accepted all of their recommendations. The only items that have been approved from that pool of money have been recommendations that came from that body. That is how we intend to function, because they are the ones that are reviewing all of the projects. They are the ones that represent the municipal levels of government, know the communities, in many respects, the best, on a day-to-day basis. So within that pool of money, we are accepting their recommendations.

Within the other \$84 million, there are some discussions and we have had some discussions already about Route 90 and rural gasification, but within the \$60 million, yes, it is UMM and MAUM who make the recommendations that we accept.

Mr. Plohman: I thank the minister for that. We want to discuss some of the priorities under the \$84 million, including the electronic highway issue. I do not think that has been discussed yet.

I do want to follow up a bit first on the \$60 million. Can the minister indicate how much of that now has been allocated, in the absence of the completed list, for rural Manitoba? Could the minister indicate how much yet remains unallocated?

Mr. Stefanson: There is approximately \$8 million left to allocate.

Mr. Plohman: Mr. Acting Deputy Chairperson, so the minister is saying, as of now, dollars allocated for projects, \$52 million has been allocated and has now been, we could say, spoken for. Is that correct? If so, what is the total value of

the projects that are going to be undertaken as a result of the \$52-million allocation under this program?

Mr. Stefanson: Mr. Acting Deputy Chair, yes, approximately \$52 million has been allocated to date, and the element of that would lead to higher—the second part of his question—higher overall projects, the 52 is split one-third, one-third, one-third—federal government, provincial and city—but there are some projects where the infrastructure funding only represented a percentage of the project, where the municipalities are still going to undertake the project and top it up.

An Honourable Member: Don't I know it.

Mr. Stefanson: And the member indicates, does he not know it, and I know he is going to get to a particular project in a few minutes, but we could certainly undertake to get him a general figure of what that might be, but that the only case where the projects end up being of a higher dollar amount is where this funding is a percentage of it, and the municipalities are still going to go ahead with the projects and find the residual themselves to complete the project. But \$52 million is the three levels of government.

Mr. Plohman: So the minister is really saying, then, just over \$17 million is provincial money for rural Manitoba, and some projects are going ahead with greater than one-third share by the municipality. Can we have a commitment from the minister to have a list of those projects where the municipalities are contributing more than a third of the project?

Mr. Stefanson: In time for the next session.

Mr. Plohman: In time for, before, the next election?

Mr. Stefanson: Next session.

Mr. Plohman: Oh, next session.

Mr. Acting Deputy Chairperson, just to finish, I think it would be helpful if the minister could provide that within the next week or so. It is not going to do much good if it is left off until the fall or next spring. What we want is to have an idea of

how many municipalities are actually able to provide additional funding beyond their one third.

Mr. Stefanson: Mr. Acting Deputy Chairperson, I will undertake to provide as much of that information as we can. You know, as I have indicated, the process, all of these have been projects that have been approved by the municipal review committee based in many cases on going back to individual municipalities and getting confirmation that if they got a certain percentage of the funding they would go ahead with the project and so on.

So we will certainly undertake to provide as much of that information, recognizing it is something that changes as various projects come on, or potentially some adjustments are made to projects, but we can attempt to provide that.

Mr. Plohman: It would be good to have it as of, say, June 30 or something. I know there will be changes after that.

The minister perhaps could give us right off the top an indication of projects that did not go ahead because the amount allocated was not sufficient to lever the project. Does he have an idea of any that have actually been cancelled to this point, or appeals made?

Mr. Stefanson: Mr. Acting Deputy Chairperson, out of the 293 projects approved to date, less than half a dozen have expressed concern about their ability to proceed with their project and/or requesting any appeal or reconsideration by the advisory committee.

Mr. Plohman: Then a rather remarkable, unusual situation has developed for the project proposed by the town and R.M. of Dauphin with regard to the recreation complex that was proposed. There, the original proposal was for a \$9.2-million project, which would have required \$3 million from each level of government. It included the construction of a skating rink, a curling rink, a pool and administrative offices to replace existing old buildings and facilities, as the minister knows, and some that do not exist, for example, a pool that is only seasonal.

Then they went with a second proposal when asked to scale it down, and they proposed the

construction of a curling rink, pool and administrative offices for \$5.9 million, which would have just been around \$2 million each.

* (1610)

Thirdly, they proposed the construction of the pool with the recreation offices for \$4.2 million, which was less than half of the original proposal.

The people working on it had an innovative plan that would have seen the cooling used for the ice plant, the energy required, the heat given off to provide heat for the pool, because one of the greater costs of operating pools is the energy required to maintain temperatures. Of course, without the curling rink happening at the same time and the ice plant connected with it, it is not nearly as efficient, but they reluctantly went to the third proposal, which is \$4.2 million as opposed to the \$5.9 million.

What was approved—and apparently now the minister is saying by the municipalities; we will have to see what kind of criteria they used and what kind of process was in place for them to approve it—was in complete isolation from reality in terms of what was required to make a viable project. There is nothing that is viable about \$1.8 million, which was the approval, \$600,000 of it, of course, being the municipalities themselves, \$1.2 million from two levels of government, really, about \$600,000 each. They will need a project that involves about \$4 million to make it a viable project. They have appealed to the selection committee.

I want to ask the minister if he could provide us, perhaps first of all, the status of that appeal, and then we will work backward as to how we arrived at this amount. Was it just on a per capita basis, and so on.

First, I would just like to know the status of that appeal, if the minister is aware of it, and what input he might be able to have or his staff in taking another look at this proposal, considering I guess that there is \$8 million of shared money left.

Mr. Stefanson: I am very well aware of the project, both the original and then the scale-down. To the best of my knowledge, the appeal has not

been heard yet but will be heard by the advisory committee the next time they meet.

I guess one point worth reminding all of us when it comes to dealing with the Infrastructure Works Agreement is what this has represented in many cases is an opportunity for many parts of our province to get support from two levels of government for, in some cases certainly, projects that would not have been entitled to support prior to the agreement being signed.

So there is, in many cases, a significant benefit for many communities that if they have worthwhile projects that they think meet their community needs and the needs of their citizens, they would have been going ahead with—hopefully irrespective or trying to go ahead with—and the infrastructure agreement has allowed many communities the opportunity to proceed with those needed projects because of the contribution of two-thirds of the funding from two other levels of government.

I am well aware of the project. It is an excellent project. I know the community has put an awful lot of work into it. I have had the opportunity to meet with a delegation prior to the filing of their appeal, and we will await feedback from the advisory committee after they have dealt with the issue.

Mr. Plohman: Before I ask about that process, Mr. Acting Deputy Chairperson, the minister could reflect on how the \$1.8 million—I asked the mayor, Mr. Inky Mark, who is the mayor of Dauphin, about that. I said, did you have any final say into the amount that was approved? In other words, were you asked what can you do with \$1.8 million, considering \$600,000 is your own money? He said no, in the final analysis.

It sounds to me like a figure was picked out of the air and said, well, we can spare this much for this project. Is that about how it was done, as opposed to based on a kind of a viable proposal and say, well, this is something that they can work with as opposed to something that was just kind of pulled out of the air and said, well, we can spare this much for this project?

Mr. Stefanson: I cannot speak for all of the workings of the committee, but the member for

Dauphin uses the expression, spare this much money or these many dollars. One of the main criteria of the committee is to strike regional balance. I outlined that there is \$60 million allocated to the committee, and obviously a significant geographic area and some 200-plus municipalities throughout our province to meet the wants and needs and requests from those communities.

So it is with a combination of the amount of money they have to allocate individual projects, regional balance, all of these kinds of things that the committee looks at.

There usually is some give and take with communities when they are looking for how much an allocation will do towards their individual project. They will be reviewing this Dauphin request.

The member refers to a viable project, and I guess I come back to the point that if these projects in communities are viable and local representatives deem that their citizens need them and want them—as I say, if the infrastructure program did not exist today those communities would be looking for ways to still meet the needs of their citizens through whatever means was available to them.

Dauphin has made a specific request to have this looked at again, and I am sure the advisory committee will take a serious look at that request.

Mr. Plohman: The minister keeps referring to this, well, if they were important enough for the communities, then they would have maybe built them on their own. The fact is there is a certain size of projects that a community just is not able to do even though they are absolutely needed.

That is why over the years we have had programs that have assisted communities, especially, from my perspective, rural Manitoba where a lot of the communities are in decline, to kind of stem the tide on that, and offset it as to improve the amenities so that people will be able to enjoy some of the kinds of benefits that urban dwellers take for granted, such as indoor pools and swim clubs and therapy options for senior citizens,

and that kind of thing, which just is not available in Dauphin.

This is not just for the town of Dauphin, which only has about 8,500 people, but it services the whole Parkland and would be used by residents throughout the Parkland. While the smaller communities were receiving the full amounts of their smaller projects that they had requested, this one was not given in the same proportion, even though it would service all of those residents as well.

As a matter of fact, a resolution and letters of support came forward from some 36 agencies and municipalities and towns and villages in the Parkland region supporting this project. It was not just a project put forward by the R.M. and town, which in itself is evidence of co-operation, but, in fact, reflected the request from 36 organizations and municipalities and towns and villages in the area. Surely, the minister should make a case for an additional amount to be allocated because of the up to 36,000 people that could be serviced by this facility.

* (1620)

Mr. Stefanson: Mr. Acting Deputy Chairperson, I do not argue with much of what the member says in terms of the importance of the project to not only Dauphin but the surrounding community in meeting the needs of that entire region of our province.

Having said that, there were various projects that would fall in the same kind of category that came forward, either in rural Manitoba or even here in the city of Winnipeg. Part of why we have an advisory committee made up of representation from the UMM and MAUM is to go through all of these throughout Manitoba and give us their best advice. That is what they have done. We made the decision to accept their recommendations in all cases. We have not added or deleted from their lists at all.

Even though the member refers to 36 agencies or organizations, I know when that was brought up we followed up on that. My understanding is, other than the two municipal entities, Dauphin and the R.M., all other organizations made individual

infrastructure applications of their own, and requested that they be dealt with and they get those projects approved as well.

Had they all come forward waiving all other requests, that might have enhanced the amount of contribution, I do not know. That would have been something the advisory committee would have looked at. So I think while we recognize they all support this project, they also have projects that they have put into the hopper and they have been hoping to get supported. I know many of them have received support for various projects.

The community has made an appeal that is going before the advisory committee. At this point in time, I do not know what else can be said about that individual project until we hear what the advisory committee does with that appeal request.

Mr. Plohman: Mr. Acting Deputy Chairperson, the minister refers to the advisory committee. Has he provided a list of the people that are on that advisory committee to this committee? If he has not, would he table that list?

Mr. Stefanson: Because the list is not lengthy, I can provide it to the member right now. The voting members of the committee—there are two representatives from the Union of Manitoba Municipalities, Mr. Jack Nicol and Mr. Larry Walker; and there are two voting members from the Manitoba Association of Urban Municipalities, Mr. Art Dyck and Ms. Stella Locker.

Mr. Plohman: Mr. Acting Deputy Chair, so there are four people on this advisory, voting members, the minister says, as opposed to nonvoting advisory members. Where are they from?

Mr. Stefanson: The additional people that will be there to provide information but do not participate in decisions or voting would be the executive director of each of those organizations. UMM would be Jerome Mauws, MAUM would be Rochelle Zimberg, and there is a representative from the provincial and federal government. There is also, as I introduced at the outset, Mr. Bruce Birdsell who is the secretary to the infrastructure committee. The primary function of those people is to provide information when you are getting requests of this nature. Sometimes it might be

some other funding being provided or other funding sources through, you know, whether it is a PAMWI agreement or Water Services Board or whatever it might be. So they are really there as an information resource.

Mr. Plohman: Is the minister holding out any hope that there are other sources of funding from provincial sources or federal, such as Community Places or anything that could be used to kind of add on under certain exceptional circumstances to perhaps make a viable project, such as in the case that we are talking about here? Has that been contemplated or considered?

While the minister is considering that answer, I just want to raise one other point with him. Insofar as the Parkland area, the minister should be aware that a recent study done by Prairie Research Associates, and by the government for the Department of Highways and Transportation, showed that the Parkland has eight of 15 rapidly declining centres in rural Manitoba. In the whole province, eight of 15 of those are situated in the Parkland, and the outlook is bleak for the Parkland with declining population projected by the year 2016 of 18.5 percent, further decline in population. Only one other region in the province has a decline, an absolute net decline projected, and that is the southwest, but all the others are projected to have an increase in population.

I think the minister would agree that there are some special circumstances, especially when you consider employment statistics that have been completed lately that have shown as well, through Workforce 2000 and Assiniboine Community College in Dauphin has shown as well, that the percentage of people who have a Grade 9 education, for example, is much lower in the Parkland than the rest of Manitoba. There are several pieces of information that have come from his own government that have shown that there has to be some positive attention paid to the whole Parkland region insofar as employment statistics, insofar as decline in population and so on. So there is ample reason to provide some special attention for this kind of situation.

I bring that to the minister's attention, if he is not aware of those statistical pieces of information, and ask him to consider if the \$8 million which is going to be, I anticipate, enormous pressure from so many different projects that it is going to be very difficult to see \$2.5 million of that \$8 million allocated to one project. I would like to see that, but the probability of that happening means that perhaps there has to be some innovative approaches taken here with regard to either looking at the \$84 million in terms of strategic initiatives or other programs to indeed bring us up to a level that can make a viable project.

Mr. Acting Deputy Chairperson, in the interest of time, I am going to leave this with hopefully a response from the minister because we have a number of other questions to deal with.

Mr. Stefanson: **Mr. Acting Deputy Chairperson,** I thank the member for the information he provided. To the best of my knowledge, there is nothing precluding any project from qualifying under any other government programs that might be available, and that might well end up being an avenue that has to be pursued in this case, as well.

But whether the glass is half full or half empty, so far, Dauphin has received an allocation of \$1.8 million which is a very significant allocation in comparison to many of the projects, but the member has certainly raised some valid points around this entire issue.

Mr. Plohman: It is also a question of whether these advisory committee members are aware of the kinds of pieces of information that we have just presented. I know that the lobbyists from the town have certainly provided a lot of information, but I am not certain that that information is available to them.

* (1630)

I also wanted to ask the minister about the electronic highway allocation. He has \$84 million allocated for gasification and for major projects, such as the Kenaston overpass which my colleague has already addressed in terms of our concern about the priority that has been placed on that project and the amount of money allocated for that one project.

However, I would like to ask whether the minister can give us a figure of dollars now allocated for development of the electronic highway in Manitoba and in what form. Is it definitive at this point, or is it something that is just in the very early formative stages and has not been developed to the stage where any detail can be provided?

Mr. Stefanson: Mr. Acting Deputy Chairperson, there has been a notional allocation of \$15 million, and the details are being worked on right now.

Mr. Plohman: This is 15 out of the 84 that the minister is saying.

Mr. Stefanson: That is correct.

Mr. Plohman: Would any of this flow, in a notional way, since the minister is talking about a notional allocation—is any earmarked for developing the Distance Education initiatives, or is the allocation that the minister has in the Department of Education completely separate from this allocation?

Mr. Stefanson: Mr. Acting Deputy Chairperson, out of that total allocation, the \$15 million, we see the Distance Education element being a significant portion of it. That is the basis of a great deal of the work that is being done right now.

Mr. Plohman: I have a little bit of difficulty in determining then how this money is going to be allocated, unless it is going to a couple of years down the road, because they—and if you pardon the pun there, I know is it not a road, it is a highway.

The minister has just released a request for proposals for Distance Education initiatives which he says a maximum per project can be \$65,000 which, of course, is a pretty modest proposal. I do not know how that is going to result in significant initiatives from areas of the province where they have already done a lot of groundwork and would need significantly more than that to get their proposal off the ground.

They are pilot proposals, and they are supposed to demonstrate the feasibility of distance education, of various methods and so on and

equipment for possible widespread use in the province, I would understand.

So is the minister saying they are going to wait with this \$15 million until this has been done, the substantial amount of the \$15 million that the minister referred to, until these pilots have been done and evaluations have been done? We might be talking two or three years yet.

(Mr. Jack Reimer, Acting Deputy Chairperson, in the Chair)

Mr. Stefanson: Mr. Acting Deputy Chairperson, the short answer would be, the two things are not tied in the respect that the member outlines. There will not be a need to be waiting for these individual pilots. There already have been some pilots as well that are run. I know Evergreen School Division ran one as well.

So no, there is no reason in terms of the initiative that was announced recently by the Minister of Education (Mr. Manness) that that will in any way delay the comprehensive requirement that is being worked on right now, and we are expecting that fairly shortly.

Mr. Plohman: So the minister is saying really that he is going to forge ahead boldly where no person has gone before, even though these pilots are supposed to provide significant information as to what the province should be doing in terms of priorities. I find that rather unusual, that the province is embarking on pilots when, in fact, the minister seems to think he knows where he is going already with this money.

Mr. Stefanson: Again, I think the member for Dauphin is misinterpreting what is happening in terms of the benefit of the individual pilots. He himself expressed the concern of the dollar allocation for the pilots as opposed to the—and I am far from a technical expert, I willingly admit, when it comes to this field. If you want to talk accounting, then I will wade into accounting.

He used the word “highway” or “road” or whatever earlier and that a major requirement in our province is the network itself. When I refer to the comprehensive report that is being worked on, that is what is being worked on, as opposed to an

individual pilot, that can help in many respects, I would imagine.

The Minister of Education (Mr. Manness) is better equipped to talk about the benefits of the pilots than I am in terms of impact on curriculum, impact on two-way video conferencing, and so on, and the whole functioning of the individual pilots as opposed to the highway or the network or the road itself that has to be put in place here in our province if we are going to implement distance education throughout various regions of our province.

Mr. Plohman: It seems that what kind of form the highway takes has some bearing on what kind of mechanism will be put in place at the end of that highway to deal with these pilots. There is different technology available. I guess I would take it then that the minister is saying that the report that is being done is going to determine what form the highway will take, whether it is going to be fibre optics cable or whether it might be digital microwave or some other form.

Are those the kind of questions that have to be answered before the \$15 million is spent, as opposed to the pilots, the individual pilots, that are being entered into here? It seems to me, though, that there is a connection between the kinds of pilots that are being undertaken and the highway that is put in place in terms of what form they might take. The left hand has to know what the right hand is doing.

Mr. Stefanson: Mr. Acting Deputy Chairperson, the member for Dauphin is certainly partly correct. The report itself that is being worked on is the nature of the highway, whether it is fibre optics or microwave technology or whatever might be the best to utilize here in Manitoba.

I would have to get him some more details on the status of the individual pilots and the relationship between the pilots and the overall review that is being done on the overall highway itself. That is the basis of the comprehensive report that is being worked on.

Again, there might well be various regions that can already run a pilot in terms of meeting the needs of an individual school division and/or an

individual community, and also provide opportunities in terms of developing further expertise around functioning in that environment and so on. So I do not know. I would not, for a moment, want to suggest that there is not a relationship, yet I think they can be going ahead in the fashion that we are discussing.

Mr. Plohman: Mr. Acting Deputy Chairperson, that is entirely possible. I would like to know whether the minister can provide us with the names of the experts that are preparing this report, and the company or companies that they may represent.

* (1640)

Mr. Stefanson: Mr. Acting Deputy Chairperson, I will obtain those details and provide them.

Mr. Plohman: Mr. Acting Deputy Chairperson, I am surprised the minister would not make an attempt to provide that right today. I am not asking about the pilots that the Minister of Education (Mr. Manness) is involved with; I am asking something that the minister is directly responsible for.

This \$15 million that he is talking about, I am sure, we will be talking about widely with the public of Manitoba insofar as this major expenditure. Obviously, the minister feels this is pretty important if he has got \$15 million allocated. and yet he cannot tell us who is preparing this report that he is awaiting.

Mr. Stefanson: Mr. Acting Deputy Chairperson, I am quite surprised by the comments of the member for Dauphin. A few minutes ago, he wanted me to provide him with a list of the members of the advisory committee for rural Manitoba. I very quickly gave him the names at that time. Now I am telling him, if he is thinking that there is some external consulting firm that we are currently utilizing that we are not prepared to share with him, that is not the case.

The reason I am not in a position of providing names is we have a series of departments that are involved in it from internal, from I, T and T to Highways and Transportation, to a secondment from the Manitoba Telephone System, to Economic Development Board, to our Information Technology, and so on. Those are some of the

areas, but I would have to get all of the departments represented and the individuals' names, so that was the basis of why I said I would need some time. I would not want to leave somebody off the list or provide an inappropriate or incorrect name.

Mr. Plohman: So the minister is saying they are doing the assessment within the province, yet there are contracts let with companies outside of the province. The question is: What are they doing then? If we are preparing an assessment of what Manitoba needs and what would be the most feasible kind of electronic highway interlinking in the province of Manitoba to proceed with to spend this \$15 million-plus, I am sure, then I fail to see the connection.

The minister is leaving the impression that it is completely being done in house, that a number of departments kind of got together and they are pooling their resources and away they go. It seems to me that we are missing something here, and maybe the minister is not intentionally, I am sure, not being completely forthcoming with this committee.

(Mr. Bob Rose, Acting Deputy Chairperson, in the Chair)

Mr. Stefanson: Mr. Acting Deputy Chairperson, I assure the member for Dauphin that I am being completely forthcoming, and under the infrastructure secretariat there have been no contracts let to work on any distance education or information highway or telecommunication initiative, that the review that I referred to is being done on the basis of utilization of our internal resources within government. I cannot speak for all departments of government and what other initiatives individual departments might be doing, but the initiative he is asking me about today, as it relates to the infrastructure initiatives, I have already outlined the process, and I am being totally forthright with him.

Mr. Plohman: The contract with AT&T perhaps will provide some information for the officials who are preparing this proposal? Just wondering.

Mr. Stefanson: Rural development, another one of the departments I do not think I referred to, is

also represented on this committee, and I believe that is who the contract is with that the member is referring to. Absolutely, that might well be a resource that is brought to the table in terms of whatever information they have garnered from work being done in that department, because the department is represented as part of that committee and the initiative is being led by our Minister of Highways and Transportation (Mr. Findlay) in terms of the entire review in this whole area, appropriately so.

Mr. Plohman: Oh, I see. So the minister here as the minister responsible for an infrastructure program is not the lead minister on this aspect of the \$50 million. It is just one of the projects under the infrastructure program, but he is not the lead minister for that project. Is that correct?

Mr. Stefanson: Mr. Acting Deputy Chairperson, I will try to make this clear for the member, that on the infrastructure agreement I am the lead minister and ultimately have responsibility for reaching agreement on the allocations and the projects under that, but within individual projects, obviously we draw on the best expertise possible within our government, whether it is at the ministerial level or at the departmental level or whatever level in terms of work being done on individual initiatives. That is the case in this project, not dissimilar from some other projects that we might be working on, but when it comes to reaching agreement with the other levels of government or the federal government as it relates to these projects, yes, I have the final responsibility and I am the lead minister.

Mr. Plohman: Well, I will not pursue this too much further, Mr. Acting Deputy Chairperson, but I think as the lead minister responsible for \$15 million of the taxpayers' dollars and allocated for this particular purpose, the minister would want to have access directly to the reports that are being done that will contribute to the final solution for the electronic highway in the province. As such, I am sure that if the minister wanted to be completely forthcoming with the committee at this, and open with this committee, he probably would acknowledge that he will be receiving that report as part of his functions as minister

responsible for infrastructure. If he does not have it at this point, I cannot blame him for not discussing it. But if he has it, I would think that it would be incumbent upon the minister to either share a copy of that report or a summary of it with the committee.

Mr. Stefanson: Mr. Acting Deputy Chairperson, I can assure the member that at the appropriate time I will have all of the information deemed necessary and adequate for us to make a final decision and to negotiate appropriately on behalf of the province and the taxpayers of Manitoba.

Mr. Plohman: Well, the minister has talked about the appropriate time, and perhaps he can give us a bit of a time line, in closing on this issue, as to what he believes will be the time line for finalizing this project.

It is okay. I think the minister can feel quite comfortable that we will keep it a secret here in this committee, and if he wants to share it here with us now, I think that would be appreciated, and we will ensure that we do not contribute in any way to maybe upsetting the apple cart for the minister in terms of the announcements and what might be happening. This is a legitimate role for the legislative committee, such as we are.

Mr. Stefanson: Mr. Acting Deputy Chairperson, I know that the member for Dauphin would keep this to himself, but whenever we put out dates then of course that becomes a target that as they approach we get asked questions, and once they are there, if we do not reach that date people are wondering why.

It is a high priority, as I indicated. It is being worked on probably as we speak, and we will be receiving it in due course, but it is something we will receive in the not-too-distant future, and at the appropriate time we will share whatever information is deemed appropriate as well with all members.

Mr. Plohman: I really do not want to pursue this any further. Just a matter of weeks then or—

An Honourable Member: Drop it.

* (1650)

Mr. Plohman: If the member says drop it, I will continue for hours. Does the minister expect that we are talking about days, weeks or months? Which would he categorize it as? I would like to know whether we are going to get this by, say, the middle of July, within the next month—I would say that is weeks—or is it going to be a lot longer? Are we talking about something that is much more complicated than we might think at this point, in terms of finalizing?

Mr. Stefanson: I have outlined this is a priority for us, I have outlined the time constraints around utilization of infrastructure money, and we expect that report soon.

Mr. Lamoureux: I would just like to get that copy, the updated list in terms of what projects have been approved. The minister had indicated that he would have that.

Mr. Stefanson: Mr. Acting Deputy Chairperson, we will provide that as indicated.

The Acting Deputy Chairperson (Mr. Rose): Resolution 27.9: RESOLVED that there be granted to Her Majesty a sum not exceeding \$23,890,000 for Other Appropriations, Canada-Manitoba Infrastructure Program - Capital, for the fiscal year ending the 31st day of March, 1995.

EMPLOYEE BENEFITS AND OTHER PAYMENTS

The Acting Deputy Chairperson (Mr. Rose): I refer you now to page 46 in the Estimates book.

Does the honourable minister have an opening statement?

Hon. Eric Stefanson (Minister of Finance): No, I do not. They are self-explanatory, I believe.

The Acting Deputy Chairperson (Mr. Rose): Does the critic for the official opposition party have an opening statement? None from the critic of the second opposition party? Any questions?

Item 6.1.1. Employee Benefits and Other Payments (a) Civil Service Superannuation Plan \$32,377,500—pass; (b) Canada Pension Plan \$12,991,900—pass; (c) Civil Service Group Life Insurance \$1,965,000—pass; 1.(d) Workers'

Compensation Board (1) Assessments re: Accidents to Government Employees \$3,090,200—pass; (2) Less: Recoverable from Other Appropriation (\$2,794,200).

1.(e) Unemployment Insurance Plan \$24,169,600—pass; (f) Dental Plan \$5,096,700—pass; (g) Long Term Disability Plan \$1,682,300—pass; (h) Ambulance and Hospital Semi-Private Plan \$284,000—pass; (j) Levy for Health and Post-Secondary Education \$15,115,900—pass; (k) Less: Recoverable from Other Appropriations (\$61,305,400).

Resolution 6.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$32,673,500 for Employee Benefits and Other Payments for the fiscal year ending the 31st day of March, 1995.

OTHER APPROPRIATIONS

Internal Reform, Workforce Adjustment and General Salary Increases

The Acting Deputy Chairperson (Mr. Rose): Page 152: Item 27.6.6. Internal Reform, Workforce Adjustment and General Salary Increases. Are there any opening statements? The honourable minister. No, no opening statements? Any questions?

Item 6.(a) Internal Reform and Workforce Adjustment \$5,000,000.

Mr. Jerry Storie (Flin Flon): Just one question. The Internal Reform and Workforce Adjustment, is that still part of the process of decentralization? What else is included in this?

Hon. Eric Stefanson (Minister of Finance): Mr. Acting Deputy Chairperson, no. It relates more to issues around the budget. I guess a good example would be the Voluntary Separation Incentive Plan for employees, if those funds cannot be found within individual departments there is the opportunity to take them from this funding source.

The Acting Deputy Chairperson (Mr. Rose): Item 6.(a) Internal Reform and Workforce Adjustment \$5,000,000—pass.

Resolution 27.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,000,000 for Other Appropriations, Internal

Reform, Workforce Adjustment and General Salary Increases \$5,000,000 for the fiscal year ending the 31st day of March, 1995.

CANADA-MANITOBA ENABLING VOTE

The Acting Deputy Chairperson (Mr. Rose): Page 148, Canada-Manitoba Enabling Vote.

Are there any opening statements?

An Honourable Member: No.

The Acting Deputy Chairperson (Mr. Rose): No opening statements.

26.1, Item 1.(a) Partnership Agreement in Tourism (1) Operating \$64,800—pass; (2) Capital \$230,000—pass.

1.(b) Winnipeg Development Agreement (1) Operating \$1,000,000—pass; (2) Capital \$1,000,000—pass.

1.(c) Agreement on Agricultural Sustainability (1) Operating \$389,000—pass; (2) Capital \$66,000—pass.

1.(d) Partnership Agreement on Municipal Water Infrastructure - Capital \$880,000—pass.

1.(e) Communications Technology Research and Industry Development Agreement - Operating \$259,000—pass.

1.(f) Partnership Agreement in Forestry - Operating \$656,400—pass.

1.(g) Mineral Development Agreement - Operating \$190,200—pass.

1.(h) General Agreement on the Promotion of Official Languages - Operating \$200,000—pass.

Resolution 26.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,935,400 for Canada-Manitoba Enabling Vote, for the fiscal year ending the 31st day of March, 1995.

OTHER APPROPRIATIONS

Allowance for Losses and Expenditures Incurred by Crown Corporations and Other Provincial Entities

The Acting Deputy Chairperson (Mr. Rose): Page 151, item 2. Allowance for Losses and Expenditures Incurred by Crown Corporations and

Other Provincial Entities. Are there any opening statements?

An Honourable Member: No.

The Acting Deputy Chairperson (Mr. Rose): No opening statements.

Resolution 27.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$350,000 for Other Appropriations, Allowance for Losses and Expenditures Incurred by Crown Corporations and Other Provincial Entities \$350,000, for the fiscal year ending the 31st day of March, 1995.

Shall the resolution pass?

Mr. Jerry Storie (Flin Flon): The \$350,000 for the Manitoba Potash Corporation, is that ongoing mineral lease obligations? Where does that come from?

Hon. Eric Stefanson (Minister of Finance): Mr. Acting Deputy Chairperson, that represents our estimated share of the operating costs for our 49 percent interest in the joint venture with Canamax.

The Acting Deputy Chairperson (Mr. Rose): Shall the resolution pass?

An Honourable Member: Pass.

The Acting Deputy Chairperson (Mr. Rose): The resolution is accordingly passed.

Allowance for Salary Accruals

The Acting Deputy Chairperson (Mr. Rose): Page 151, 3. Allowance for Salary Accruals.

Resolution 27.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,600,000 for Other Appropriations, Allowance for Salary Accruals \$3,600,000, for the fiscal year ending the 31st day of March, 1995.

Resolution 27.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,000,000 for Other Appropriations, Emergency Expenditures \$10,000,000, for the fiscal year ending the 31st day of March, 1995.

The hour being 5 p.m., time for private members' hour. Committee rise.

An Honourable Member: No.

The Acting Deputy Chairperson (Mr. Rose): Sorry. The committee will reconvene at 8 p.m. with interruption for private members' hour.

LABOUR

Madam Chairperson (Louise Dacquay): Will the Committee of Supply please come to order.

This section of the Committee of Supply is dealing with the Estimates for the Department of Labour. We will be continuing to deal with the Estimates for the Department of Labour. We are on item 1.(b)(1).

Would the minister's staff please enter the Chamber.

Item 1. Labour Executive (b) Executive Support (1) Salaries and Employee Benefits.

Ms. Marianne Cerilli (Radisson): Madam Chairperson, I am going to be asking the minister some questions with respect to workplace safety. I am going to start off, I think, by looking at an area that may be new for the minister.

I am not sure if there is very much going on in the department with respect to this area, but I know that the government in Saskatchewan has done a lot of work and they brought in a new policy, a harassment-in-the-workplace policy.

I will begin by asking the minister if there is any work going on in the department with respect to having an amendment to the act so that there will be a policy under Workplace Safety and Health that would address harassment in the workplace as a workplace safety and health issue.

Madam Chairperson: Order, please. Because this was started in the other section and I am not familiar with what might have been agreed to previously, could I establish if an agreement has been reached to just go back and forth and discuss anything, because the member's question, in checking, is on page 118 which is Workplace Safety and Health, which is a separate department? I would like to know what the minister's feeling is so that he would have appropriate staff to address specific questions. My understanding is that nothing has been passed at this point. We are still under 1. Labour Executive (b) Executive Support.

Hon. Darren Praznik (Minister of Labour): Madam Chair, I have no problem dealing with this area. I think in the last discussions we really did not get into workplace safety and health issues in any great detail. Given the amount of hours available, I think we were operating on the basis of being able to move throughout the department, trying to deal with some blocks, but dealing with as many items as possible. I have no problem dealing with this particular area.

Madam Chair, I would like the member for Radisson to please be a little more specific when she defines harassment. Harassment is an extremely broad term that can be open to a host of interpretations. I have no difficulty in entertaining or getting into this particular discussion, but I would ask her to please be a little more specific in defining what she means by harassment in the workplace.

Ms. Cerilli: Madam Chairperson, I would be pleased to do that. I will follow from the definition used by the amendment to the act in Saskatchewan that the government has brought in just this past year, 1993. It has a definition: harassment means any objectionable conduct, comment or display by a person that is directed at a worker, is made on the basis of race, creed, religion, colour, sex, sexual orientation, marital status, family status, disability, physical size or weight, age, nationality, ancestry or place of origin, and, thirdly, constitutes a threat to the health or safety of the worker.

It then goes on to outline a very specific procedure for the worker's rights, for employer obligations, for worker obligations, procedures for how to file a complaint, resolutions and corrective actions that can be taken, and outlines the framework for ensuring confidentiality, and also has a section that deals with external complaints. I would be pleased to supply this to the minister.

I am quite concerned if this is something that is not being dealt with in the government either through the Women's Directorate or the race relations directorate—the Multiculturalism Secretariat, I should say, or any of the other appropriate places. I think that we need to have this area looked at. It is not something new. There are a

number of workplaces in the province that have such a policy, and I would think that the government should be looking at being the leader and setting the trend to ensure that we have enshrined in legislation a policy on harassment that is going to protect all workers in the province irrespective of where they are working.

Mr. Praznik: Madam Chairperson, first of all, I say to the member that our current human rights legislation in Manitoba does cover a lot of the areas of which she speaks. There have been recent discussions between the staff in Workplace Safety and Health and the Manitoba Human Rights Commission staff to ensure that there is not a wide gap or a gap between our two legislative frameworks to cover the specific incidences that the member refers to.

I do say to the member that there is a difficulty anytime one gets into what can be such subjective—one clearly knows there are going to be cases on one side where discriminatory comments or harassment in the sense in which the Saskatchewan act defines it takes place and puts people at jeopardy in the workplace because of the stress that it may cause or the anxiety in the course of their employment. We know those happen from time to time, and certainly that is one side of it. On the other side of the coin, a broad definition and the opportunity to use that as a tool given how subjective the feeling or the description of what harassment can be opens up another side to this that may not be productive.

So, when balancing things, obviously, in an area that is open to such subjective interpretation, the current Manitoba human rights scheme where you have people who deal with this on a regular basis is probably the right vehicle with which to address the difficulty. I appreciate where the member is coming from on this particular matter, but, as I have outlined it is one in which we have, as a province, dealt through our human rights legislation. We ensure that there is not a gap between our workplace safety and health legislation and human rights legislation.

I do not know at this stage of the game if adopting the Saskatchewan model would prove a

more effective means of dealing with the truly legitimate cases that do arise from time to time.

* (1430)

Madam Chairperson: Item 1.(b)—

Ms. Cerilli: Madam Chairperson, I will be asking questions in this area for approximately an hour, I would think. Okay? Thank you.

I find a number of the things the minister has just said debatable. I think this is not a subjective area. There are very clear definitions of harassment. This is not to be dealt with as personality problems as it often is in workplaces. This is not to be dealt with just as a human rights issue. We all know that the Human Rights Commission is backlogged and has a huge difficulty in dealing with these issues. It depends too on having adequate committees set up in the workplaces and is related to the Workplace Safety and Health committee regulation that the minister is hesitant to bring forth and enforce. I think this area is groundbreaking perhaps to the minister, but there are many of us who have worked in this area for quite some time and we know very clearly what harassment is and we can define it very clearly for the minister.

I would ask if he will consider having this government start to devote some time to looking at what other provinces, particularly Saskatchewan, are doing in this area and if he will look at the benefits to a variety of workers who are discriminated against in their workplace on a daily basis.

I would suggest to the minister that this is not something that occurs from time to time but is something that occurs every day in this province to a number of groups from different kinds of backgrounds and with what often are stereotyped attributes that the policy is designed to protect them from having their safety and health compromised in the workplace. It is designed to prevent them from having their work environment and their ability to do their work jeopardized by people who have certain attitudes that are not in keeping with our human rights or not in keeping with a notion of fair and equal treatment in the workplace. This could be from employer to employee. It can be from employee to employee. I

know also that it is a big problem in the schools, that we need to look in that area as well.

I would ask the minister not to continue looking at this simply as a human rights issue, that this is a workplace safety issue, because a number of people do have their ability to perform their job affected and they do have their health affected and the entire health of a workplace environment I would also say is affected. Everyone's environment is affected even when there is one individual who continues to treat even one other person in the workplace in a discriminatory and harassing fashion.

I would just ask if the minister would consider that this is something his department should be looking at, that this is an area that deserves some serious consideration, that we have a number of areas in the provincial government, I have mentioned two of them already, the Multicultural Secretariat, we have had the Manitoba Intercultural Council, which has also made recommendations in this area. We have had the Status of Women committee.

I know there are a number of serious concerns with respect to young people who are being discriminated against in our workplaces throughout the province. I have had many meetings with young people throughout the province who are continually not given appropriate holiday pay. They are not given appropriate notice when they have to be called to work. They are not given appropriate notice when they are having their employment terminated, and I would suggest that all of this is based on the idea that young people are able to be treated in a different way than adults in the workplace.

I think a lot of young people do not know the legislation and the regulations there to protect them in the same way that adults do. I think we have to give serious attention to the way that many young people are suffering often dual discrimination or dual harassment in their workplaces because they are often aboriginal and young, disabled and young, from another racial background and young or another religious background and young, and may for example be

short shifted because they cannot work on certain days because of their religious beliefs.

I mean, this does raise a serious number of concerns, and I think it will go a long way to educating the public if we do have a policy and a regulation, amendment to the act in fact, that would make clear to people that harassment is not acceptable, that it is not something that is subjective, that it can clearly be defined and that it can clearly be addressed. We have to put procedures in place that are going to do that and make that known to the public so that they can, in fact, protect themselves, so that they can, in fact, have equality of opportunity in our workforce.

So I would ask the minister if he would respond favourably to my request to have the department begin to look closely at this area?

Mr. Praznik: Madam Chair, first of all with respect to the comments made by the member about young people, or any people not being aware of what their rights or obligations are with respect to employment standards legislation, this department in the last few years has taken a great deal of effort to put into plain language in readable form a pamphlet outlining people's rights and obligations in employment situations.

We have made a big effort, a huge effort, unprecedented in the history of the Ministry of Labour, to disseminate information across this province so people know what they are entitled to in their places of work.

We have initiated a major effort in the multicultural community where we have gone into a number of communities, and Mr. McFarlane from Employment Standards will be joining us in just a few moments with a complete list of the communities that we have involved to date. I can tell the member, I myself have spoken to the Sikh community at an employment standards seminar that was held.

We have translated employment standards brochures into a variety of languages to ensure that they are available to as many people as possible. So I would say to her that we have gone to greater lengths than any government before to disseminate information to people across this province. We

have even included in our school curriculum employment standards information as to the rights and obligations of both employees and employers.

I say to her that a great effort is underway to ensure that all Manitobans, whatever their background, whatever their race, whatever their language, are aware of their rights and obligations under our employment standards legislation. She may snicker at that, but I can tell her that her party, while in government, made no effort in this regard. So we have certainly moved very strong.

With respect to her general question, I have to disagree with some of the premises on which she has based her statement. Not disagree in the sense that—I certainly recognize there are cases of discrimination in the workplace in the province, but she should not underscore the other side of that coin, which is the misuse of the term "harassment," by many to deal with relationships between co-workers and supervisors in the workplace.

I can tell the member from my own experience as a minister that on at least two occasions in the last three years, our department, or areas of the department for which I am responsible, or the Civil Service Commission, have had cases come forward where the term "harassment" was used, a person had been harassed and discriminated against because of a variety of reasons, which upon investigation proved not to be the case.

* (1440)

In fact, in one particular incident it was a bad work habit actually which was now coming under scrutiny. Upon that time the charge of harassment was made against the supervisor. My former deputy, Mrs. Roberta Ellis-Grunfeld, investigated that particular matter and came to the conclusion very clearly that the so-called harassment was, quite frankly, a ruse to hide a bad work ethic, a bad work record, and that individual was taking the offensive as they felt the ring was closing around them that might have resulted in their own dismissal.

I say to the member, it does happen. To say it does not is both naive and I think a disservice to those people who legitimately face a harassing

situation in the workplace. I say to the member that we are certainly cognizant of those legitimate cases, that they do exist. I am not naive to believe that they do not exist. Where that is best dealt with is really the issue.

I say to the member very clearly that in our current legislative regime in Manitoba, it is dealt with under the Manitoba human rights legislation. If she asks me if it is my intention to make this area a priority within the planning of our department, with the caveat of course that we deal with this matter with the Human Rights Commission and that we have contact to ensure that we do not have a gap, I would say to her, with that caveat, no, it is not my intention to make it a priority. The priority of this department, quite frankly, is to address areas where the health and safety of people in the workplace are most at risk—and I underline to the member, most.

I can tell her, if she looks at statistics, for example, where we have our biggest problem in the workplace with challenges or threats to the health and safety of people in the workplace is not, quite frankly, in the area of harassment.

I would say to the member as well that this has not been an issue that has been raised with us, or a request that has been raised with us by any of the labour organizations in the province like the Manitoba Federation of Labour or the Canadian Federation of Labour. It has not been raised by any of my advisory committees as a pressing issue. The only person who has raised it to date has been the member for Radisson (Ms. Cerilli). I respect that. Someone always has to be first. It would not be identified as a priority by any of the groups that this department serves or that make recommendation to me.

I would tell the member for Radisson, because she asks to make harassment a priority, that the priorities in our department, the areas where we have the greatest threat to health and safety of workers and one that comes to mind very, very quickly is in the logging industry where we have made some tremendous strides in the last while to reduce accidents. I am very proud to say that the Abitibi-Price company which operates out of my

constituency, for example, has now gone on to well over a million person-days of work in the woodlands division without a time loss. That came about after tremendous effort of their workplace safety and health committee.

In the remainder of the industry or much of the industry, particularly with small operators, that is not the case. That area has our highest, our most severe accidents in Manitoba. We are in the process with the quota holders of addressing that particular area, and that will demand a fairly high priority in our department over the next while. [interjection]

The member spoke of priorities, and I am outlining to her what the priorities of our department are.

Point of Order

Ms. Cerilli: I just want to clarify for the minister that I did not use the word "priority." I asked if he would consider looking at this in the department. I want to just ask, Madam Chair, if you would ask the minister to keep his comments brief. We have a number of areas to cover under this topic, and I would ask if the minister would just answer my questions to the point. When I want to ask questions with respect to the logging industry, I will do that. I would just ask if he would put remarks to the point and answer the questions briefly.

Madam Chairperson: The honourable member for Radisson does not have a point of order.

* * *

Mr. Praznik: Madam Chair, long questions get long responses, because I think as minister I have an obligation to put into context for anyone who would read the proceedings of this committee the reason why that would not be a priority within our department. On its own, that could certainly be misinterpreted. I would want it to be judged in its proper context of what the priorities are in Workplace Safety and Health.

As I mentioned, logging is one. Certainly another area in which we have had the highest number of fatalities in any industry is agriculture. That will continue to be a priority, although it is

very difficult to develop a regulatory scheme for agriculture. We have also mining, fabrication industries, a new emerging particular area in workplace safety and health and of course construction. Those remain our priority areas and will, under this government's leadership, continue to be until we have a significant reduction in those areas. In some areas, we are starting to see that already.

Ms. Cerilli: Madam Chairperson, I would start off by suggesting to the minister that if there are in fact instances where there is a discrepancy or a disagreement with respect to a charge of harassment and there are cases where that is being used as an inappropriate charge, then I would suggest that it is even a greater reason why we should have such an amendment to the Workplace Safety and Health legislation so that we can protect people in the workplace so that it becomes very clear what harassment is and what it is not, so that it becomes very clear what people do in their workplace when they have a concern or what they believe is a charge and an experience in their workplace which is harassment and is affecting their ability to perform their duties.

I would suggest to the minister that if this has not come up to him as a concern from the Workplace Safety and Health Advisory Committee, that the women's committee for one at the Manitoba Federation of Labour has raised this numerous times with me. I have participated in workshops on harassment with that committee, and there is vast agreement that this is an area that affects a number of people's ability to perform their job. I would suggest that if we look at the reasons why people quit their jobs. If there are reasons why people are absent from their workplaces, I think we would trace it back not only to safety issues in terms of contamination, toxic materials or bad air quality and that kind of thing, but I would say the pollution of harassment and sexism and racism and that kind of toxic pollution in our workplaces.

I would ask the minister, as well, what kind of evaluation has been done on the program to disseminate information to all these various groups to ensure that they are aware of what their rights are in the workplace so they are not being harassed

or not suffering any of the other employment standards that we have. Just because there are pamphlets made—I know that there are seven languages offering the course on employment standards in the department—but just because governments do this I do not think the minister can make the assertion that everyone in the province knows what their employment rights are in their workplaces.

As I said earlier, I talk to people daily—or not daily, I used to talk to people daily when I did employment counselling—but I talk to people quite regularly who still have this as a very big concern, that they really are not aware of what the legislation is. I commend the minister if he has done some work in this area, but I would suggest with certain groups that there is much more work that needs to be done.

I do not want to belabour this too much. The minister has made it clear that he is not interested in looking at legislation in this area under The Workplace Safety and Health Act. It is something that I and my party are very interested in. As he said, I guess it would be groundbreaking. I do not know of how many other provinces at this point are moving in this direction, but we in Manitoba have been leaders before in labour legislation under governments, particularly New Democratic governments.

I think that there are a number of other areas that we could look at, not just Workplace Safety and Health amendments or regulation changes, but it affects Workers Compensation regulations. There are the changes in unemployment insurance that affect this area. As well, I have a very long list of nine areas that need attention to address harassment in the workplace and to develop a comprehensive system that is going to protect, as I said, all workers in the workplace, whether they be supervisors and employers or workers because, as the minister alluded to, there can be misappropriate charges.

* (1450)

I would suggest to the minister that 90 percent of the time there are abuses of power which occur and it is often well founded when there are charges.

Usually, when there are charges such as this, from my experience, there is something going on in the workplace that is a cause for concern.

I would just maybe conclude by suggesting that the minister not assume that, just because they have developed some materials for the community, this is not a problematic area. I do not know if he wants to elaborate on the process that they use to work with the Human Rights Commission to ensure that, as he says, there are not gaps. I know that between constituency calls and meetings I have with community groups that there are concerns out there, and all of it is not being dealt with through the Human Rights Commission. There is such a backlog in the Human Rights Commission right now that people do not see justice done because it takes so long and a lot of them give up. We need a system in the workplace to handle these kinds of problems that will utilize workplace safety committees and shop stewards if they are there and a very clear process so that harassment can be eliminated as a threat to the health and safety of workers in Manitoba.

There, if the minister does not want to respond to that anymore, I can go into a new area.

Mr. Praznik: Madam Chair, first of all, the member had mentioned she had spoken with the women's committee of the Manitoba Federation of Labour, then I would advise them to ensure that becomes an issue for the Manitoba Federation of Labour as a whole to pursue through the various advisory committees. To date, that has not been the case, so I offer that advice.

With respect to the dissemination of information, I am sure the member would not, for a moment, want to suggest that at the drop of the hat or a flick of the finger or the wave of a magic wand we would be able to reach every Manitoban all at once and have every bit of information that was possible in top of mind with every person and every workplace. The world does not work that way. There is certainly a lead time required in continuing to get out information through the schools, through workplaces, through our multicultural program, so that year after year as we continue to do this the number of people who are

aware of rights and obligations in the employment situation grows and ultimately we are to be more and more effective.

I am pleased to say that under this administration we have disseminated over 32,000 of our employment standards pamphlets in the province, which is a fairly significant number. [interjection] Can you hear me better now?

Ms. Cerilli: Could you speak up, please?

Mr. Praznik: All right.

We have disseminated 32,000 employment standards pamphlets throughout the province to date and continue to do so. We have incorporated into the Skills for Independent Living course in our public school system a segment on employment standards rights and obligations from both the employer and employee perspective. I am pleased to also table, for both my critics, a copy of our video that is in school libraries throughout the province talking about employment standards rights and obligations. Again, getting information out, particularly dealing with young people, is so very important because they have parents. They are able to inform their parents, and they also become aware as they become members of the workforce.

The difference primarily between the member for Radisson (Ms. Cerilli) and myself on this issue is that I am yet to be convinced by her or in our own discussions internally that the place to deal with the problems she brings to the floor of this committee is in Workplace Safety and Health legislation. The course to date has been through the use of human rights legislation. To put such a provision in our Workplace Safety and Health legislation, if the right to refuse was made applicable to it, I think, could lead to a very difficult situation, an inappropriate means of dealing with human rights issues in the workplace.

Human rights legislation allows for remedies. Our legislation is not set up on the same basis. It is to deal with the physical health and safety situation in a workplace, with injury, accident, illness. It is not to deal with issues that are essentially human relations issues. Those are very different. They require, in my opinion, a very different means of

dealing with them. That is not to say that in workplace safety and health issues there is not a human relations aspect as well, but the particular issue at hand becomes one that is much different from the attitudes or beliefs of people and the way they view other people. I do not believe Workplace Safety and Health legislation is the place to deal with the problem that the member outlines.

If some improved administrative procedures were needed in human rights legislation, some other mechanisms to make that more efficient, fair ball, that is certainly worth considering. I would have a hard time finding a means to incorporate what she is particularly requesting at the current time in our Workplace Safety and Health legislation.

The one commitment I will make to her today is that we will certainly keep our eye on Saskatchewan to see how theirs administratively works out. Perhaps I am wrong. I would certainly be prepared to admit that if I were. But from the best experience I can gather from those in my department who advise me, who operate, administer our current statute, this is an area that is probably best dealt with on their advice to me, and I concur with it, under the current legislative regime of human rights legislation. We have had discussions with the Human Rights people about providing segments and information when we do training courses on human rights alongside our Workplace Safety and Health, and Employment Standards information, and we will continue to do that.

To use the legislative scheme of The Workplace Safety and Health Act to deal with human rights issues, which they are, is I think stretching the framework of that legislation to the point where it could become an administrative nightmare as opposed to an effective tool, which I believe the member for Radisson (Ms. Cerilli) is attempting to find to address a problem.

Ms. Cerilli: Madam Chairperson, I think the point of dispute here—and I will not continue to debate with the minister. I do not know if it is going to lead anywhere. I think the point of dispute is the fact that the minister insists that this is a human

rights issue, that harassment is merely a human rights issue. What I am saying and proposing is that it is a workplace safety and health issue. It does affect people's health. There are emotional and mental effects. There are often physical effects if there are certain practices undertaken that go along with the harassment that can occur.

As indicated by Saskatchewan's move to enshrine a policy in legislation, I think it speaks very strongly that this an area that can be very effectively dealt with as a workplace safety and health issue. I am sure there are policies like this in Europe, in certain countries in other parts of the world. I would also think that it will take the onus away from having an organization like the Human Rights Commission deal with the vast huge number of complaints that do arise because it will be dealt with at the workplace level by the employees who are involved. I think that kind of decentralized approach can assist people in having justice occur and having their workplace made safe and healthy more effectively than what currently exists.

In his previous answer, the minister referenced the advisory council on Workplace Safety and Health. I would like to ask the minister if he can tell the committee the last time that he met with this advisory committee and the number of recommendations and what those recommendations have been that have come forward to the minister from his advisory council on Workplace Safety and Health?

*(1500)

Mr. Praznik: I met with the committee, I believe it was a little over a year ago. I look to my staff, in which case I charged them with a host of particular areas that we wanted their advice. Most regrettably to date, they have not completed their work. In some cases, they have not yet begun it on some of the particular areas on which we, as a department, in reviewing areas we wanted their advice, charge them.

The member will probably ask me about three particular recommendations on regulations that have come from that particular committee. Since that is an issue that has been in Question Period

and others, and an area I am sure she is interested in, I would be more than pleased at this time to give her a status on those particular three areas.

One particular regulation was the first-aid regulation which is a redrafting of our old first-aid regulation which was in need of a pretty significant redrafting because, I am sure, as the member can appreciate, time has moved on in terms of what one requires in first aid and what is available in technology. Just the simple fact that we have AIDS today and other diseases requires a simple amendment such as rubber gloves, for example, in first-aid kits. That came forward as a recommendation from me.

We sat down as a department, and we had some administrative concerns with the way the regulation was drafted. We reworked those to make it, I think, better administratively, and I am currently in the process of walking it through a variety of cabinet committees including our regulatory review committee. I do not foresee a particular difficulty with the regulation and hope to have it in place in a relatively short period of time.

The second regulation was the hearing regulation. I must admit here that I had some disappointment with the form in which this regulation came up from the advisory committee. This was a reworking of our hearing regulation to sort of update the regulation in terms of hearing sensitivity and better information that is now available.

Regrettably, the committee produced a recommendation which was very unreadable. In the spirit of plain language, which I think all of us tend to embrace from time to time, I have asked my department to redraft their current updated recommendation in a form that was much easier to comprehend for the layperson looking at the regulation and wanting to derive some knowledge out of it without being an expert in the hearing area. So that has taken some time to do. I look to my director of the department; I believe our redrafts were taken back to the committee for their review so that they were aware of what we had done in both cases.

The third area is one of probably the greatest disappointments to me because it is reflective of an attitude on the Safety and Health Advisory Committee that gives me some concern as a legislator. It is one in which the chair and I have had some discussion. I think we are going to have to improve our processes, and that is in the area of the Workplace Safety and Health Committee regulation.

* (1510)

The recommendation that came forward to me as minister was one that I had quite a bit of discussion on. In fact, I even attended a meeting of the Workplace Safety and Health Committee of the Manitoba Federation of Labour to get to the point as to what they were actually looking at doing, because the recommendation was somewhat convoluted and quite frankly very difficult to administer. I had a great deal of concern on the part of our staff as to how we would administer that particular regulation.

Consequently, we looked at how we could make it administratively more effective. When we dealt with the Department of Justice in putting it in a final form, what we were advised was that the whole concept of what the committee was recommending was ultra vires the statute. I, as minister, will not knowingly bring forward a recommendation to cabinet to prove a regulation that is not to my knowledge within the authority granted to me by this Legislature to make such regulation. We went back to the Workplace Safety and Health Committee with that particular regulation, and they kind of had the attitude expressed to me by the chair that, well, that is not our problem, just pass it. Well, I am sorry, that is my problem as a legislator.

So we have sent it back with the guidance of the Department of Justice to rework within the parameters of our authority, and should they come forward with a recommendation that is not ultra vires of the statute, then I will consider it. But what this episode has demonstrated to me, and I think particularly the chair of that committee as well, is that over the last decade or so of the existence of that committee, it has not made good use of legal

services of the Department of Justice so that we can avoid these problems in advance.

In all cases, I would say those regulations have gone back for quite a period of time in the development stage, going back many years, over at least two governments, and it is regrettable that that particular regulation was worked on and so much effort went into it without being fully aware of the legislative authority of the act, but we hope to improve that process for that committee. I am sure that should answer the general question of the member for Radisson (Ms. Cerilli).

Ms. Cerilli: Madam Chairperson, the minister in his answer raises a number of things. I want to start off with, though, going back to his comments about only meeting with them a year ago. The concern is that the minister is not taking this committee very seriously. The minister went on to describe that he has requested certain issues for the committee to deal with, and it seems to me that this is problematic because on the one hand the minister has said that there are requests put forward to the advisory committee for them to look at and make recommendations on, but then on the other hand, with respect to the issue I just raised previously on harassment, the minister said that nothing had come from the committee to him on that issue.

So it seems that the minister is putting the committee between a rock and a hard place, where on the one hand he is saying they are not bringing forward any issues, but then on the other hand he is telling them only to make recommendations on issues that he wants to get their advice on. So I would ask the minister, is this in fact what is happening? Is not only he not meeting with the committee more frequently than in over a year, and also, is he only interested in hearing from the committee on certain issues which he puts to the committee to make recommendations to?

Mr. Praznik: Madam Chairperson, first of all, there is not just the Workplace Safety and Health Advisory Committee, and perhaps I was unclear. That system does have a dual approach that the committee can make recommendations in areas that its stakeholder members feel are important to

me, and I as minister can charge them with issues that have come to me that I want to seek their advice. So there is a mutuality to it. I do not think it is a rock and a hard place. I think it is a good system.

The other committee, since this would involve her proposal of legislative change, as opposed to regulatory change, would be the Labour Management Review Committee which the Manitoba Federation of Labour president chairs as Labour caucus chair. So that is a legislative change. That is an area where from time to time as we review statutes, that area, that committee would make recommendations. So that is another avenue by which that can be explored.

I do take, Madam Chairperson, some umbrage with the comment that I am not interested or do not take these matters seriously. I take them very, very seriously. In fact, one of the objectives that I have made for this department is to have a very significant reduction in our accident rate over the next number of years. I am pleased to say, as I look at the number, that the number of accidents, the time-loss claims for example per thousand workers, has gone down very significantly from a high in about 1985-86 of almost 50 time-loss claims per 1,000 workers now to just about 30. So we have had a major dramatic decline in the accident rate in this province over the last few years.

* (1510)

Now I am not so bold as to take or my department to take entire credit for that. There are a host of factors. One has been the recession, quite frankly, which has, to some degree, made people I think a little more serious about their workplace for the good. We have also had a major initiative because of our changes to the Workers Compensation scheme where we have provided for a merit and surcharge system. That has made a big effort in making safety pay. So we have taken safety very seriously.

Point of Order

Ms. Cerilli: Again, just a point of order with respect to process. I appreciate the minister giving me this information. I intend to ask questions on

that momentarily. Right now I just want to deal with the Workplace Safety and Health Advisory Committee. So I would again ask the minister if he would just answer the questions, and we will move along a lot more quickly because we are nearing the end of the Estimates time.

Madam Chairperson: The honourable member for Radisson (Ms. Cerilli) does not have a point of order. It is clearly a dispute over the facts.

* * *

Mr. Praznik: Madam Chairperson, the member for Radisson implied that I was not interested in workplace safety and health issues. I wanted to just demonstrate to her that we are very serious about it, that, as a minister, I am very concerned about it, and that we have put great efforts in the last number of years to reduce workplace accidents in our province. That is what I was endeavouring to demonstrate to the member, that the proof is in the pudding. I was not so bold as to say that all of that reduction has been because of the work of myself or this department, but a number of factors, and that is what I was attempting to outline to the member.

So I am pleased to say that the Workplace Safety and Health Advisory Committee plays a role in that process. Some of the areas that I have charged them with that the member may be particularly interested to know is in the whole area of school safety because we have had a number of issues raised in terms of our legislative scheme and the applicability of The Workplace Safety and Health Act to schools because teachers are in a very difficult situation. Are they employees or employers? They are certainly employees with respect to the management of the school, but what are they in relation to the students in the school, and the current scheme of the act did not quite apply to the school. So we had asked for some advice of that committee through a subcommittee on how we could restructure to better suit the school scenario, for example.

There was also the area I believe of agriculture safety and health that we were looking at their advice, and a host of other issues. So it is an ongoing process. It is a slow process given the fact

that virtually everyone on that committee is a volunteer who gives of their time. So it is a workable committee. I do take it very seriously, and we are attempting to improve some of the problems in that process such as our relationship with the Department of Justice so that we are doing things that are within the authority of the statute.

Ms. Cerilli: Can the minister provide me with a list of the recommendations made from the Workplace Safety and Health Advisory Committee and what follow-up action the minister has taken on each of those recommendations?

Mr. Praznik: Madam Chairperson, three of those issues I have just outlined to the member, which she can certainly read in Hansard. There are two others that come to mind that I am prepared to report on today. One is the area of ROPs, rollover protection, and that was a regulatory recommendation for ROPs, as we call it, on equipment, on heavy equipment, that I took forward to cabinet and cabinet approved three or four years ago, I believe.

We did have one problem that was raised with it which was an interesting one. One of the industries involved complained about the implementation schedule, yet they had a representative on the committee that agreed to it, and we would not change that without the Workplace Safety and Health Advisory Committee recommending a change. They reviewed the matter and did not recommend a change to me which I certainly accepted.

The other issue in which the Workplace Safety and Health Committee has given me some advice is in the area of ticketing, where the committee has recommended ticketing in the construction sector. That is a very, very difficult issue to which I have not yet responded for obvious reasons because it does remove a management function in the workplace. That is, that if a worker is in violation of The Workplace Safety and Health Act, they are not wearing a hard hat, for example, then our department would have the power to come in and ticket them and levy a fine on them for not following the rules of The Workplace Safety and Health Act.

Now that sounds innocent enough in its form, but what it does do is take away the responsibility from the employer for that worksite because if the employee continues to not want to wear the helmet for example and pays the tickets, we then should have no ability to go after the employer because the employer has lost the responsibility for that violation. Under the current scheme, if that person was not wearing a hard hat, we would issue an order on the employer, and if the employee continued to not want to wear the helmet for example, then the employer would fire the employee and use that management function. So the use of ticketing separates a management function that probably reduces the ability to go after an employer who has ultimate control over that worksite to enforce Workplace Safety and Health legislation.

So I should point out to the member as well that the Manitoba Federation of Labour opposes ticketing of workers. So I quite frankly have not responded to this particular issue. I am still mulling it over, but it is not an issue that we have viewed as particularly needed at this time to deal with problems in the construction industry. But that is a recommendation I do have from the committee. That would be the list of five.

Ms. Cerilli: Has the committee made any recommendations with respect to the report on discriminatory action that, as I understand it, was completed in the department April 27, 1994? Has the minister had any contact with any members of the advisory committee with respect to this report which would have outlined how the division should deal with discriminatory actions, and can he explain where this report is, what the status of releasing the report is, why has it not been released up till this date, and when can we expect to have a look at this very significant report?

Mr. Praznik: Madam Chairperson, first of all, the issue that the member speaks of is not one that was initiated by or in which the Workplace Safety and Health Advisory Committee has been involved. It has been an internal review of the department on how people who do raise workplace safety and health issues are ultimately dealt with by their employer if there is some punishment or some

adverse result to them having raised the matter and brought forward the particular issue.

It is one that we are very, very concerned about because it is a potential weak spot in our whole scheme. If people come forward with complaints—and I have to tell the member from time to time I have had people call me at the office of my home to raise particular complaints, and we have been very careful in sending in inspectors to look at a particular worksite because we did not want to see any retribution on the person who has raised the issue.

We internally have not completed that review yet. One of the things that the department is attempting to do is interview a number of people who have been involved with the department in raising issues and may have had some retribution.

By the way, I say this to the member, the remedy that has been there has been taking the matter to the Labour Board, which has the power to order reinstatement and a host of other things and remedy. So we internally are checking on how strong that system currently works and where weaknesses are in it, if any. I am sure, like any system, there are some. So it is not a particular matter that I have taken to the Workplace Safety and Health Advisory Committee or that it is involved in. That is an internal administrative matter.

When the report has been completed, I may choose to do that, if there is a value to be had in taking it to them.

Ms. Cerilli: I thought that the report was completed in April. What is the delay in completing it, if it has not been completed? What is the action plan or time line for completing it? When can we expect it to be released to the public?

Mr. Praznik: I would just caution the member for Radisson on her sources of information. Sometimes when we have sources provide us with information, they are not always complete. I appreciate this is the time to raise the matters and find out if that information is complete or not.

I am advised by the director of my department, who is in charge of that particular report, that the

first phase was completed. The second phase is to conduct the interviews, and that will be ongoing. So there is no delay in the completion of the report. It is one we have initiated internally. It is one I as minister want to have done, that I welcome.

When it has been completed, when the interview part has been completed, I will have a chance, with my director and my deputy minister, to review that particular area and see if there are things that we can do if we have problems and how we are going to correct them.

So I am looking forward to the completion of it, but I am sure the member's source has implied that because the first stage has been completed, the entire report has been completed. I advise her today, as I have been advised, that is not the case.

* (1520)

Ms. Cerilli: I am kind of uncomfortable with the minister's answer, sort of inferring that I have some sources. I can assure the minister that I have ongoing contacts with a variety of people in the labour movement. I do not know how they get their information, but I would just suggest to the minister that he answer the question, and if he wants to caution me, that is really not my intent with asking the question.

I want to just get some clarification then when the report will be completed and when we can expect that the report will be available for review?

Mr. Praznik: Madam Chair, I would hope that our staff would have it completed by the end of the summer. Whether or not it goes to some external review is dependent upon the contents of the report, and that is a decision I will make with my deputy and my director of that department when the report is completed.

Let me say very clearly, the report is being done by us internally to determine if we have a problem in this area, what the extent of the problem is and, if so, how do we fix it. Depending on the nature of that report, it may involve a legislative amendment, in which case we would take it to the Labour Management Review Committee. It may require a regulatory amendment, in which case we may consider seeking the advice of the Workplace Safety and Health Advisory Committee or it may

require some action that is so clear and straightforward that we may not necessarily choose to go to a review because simply we can deal with it internally.

When that is completed, sometime by the end of the summer, we will then judge the next step after we know the contents of that report.

Ms. Cerilli: Madam Chair, in answer to one of his other questions, the minister referenced the record of the government with respect to a decline in statistics on workplace accidents.

I want to spend a little time in this area, because he has referenced that there are possibly fewer workers, and we are experiencing problems with employment, and that could be one of the reasons that we have fewer injuries and accidents in workplaces, but I would suggest that one of the other reasons is that we are not doing the number of inspections that we used to.

I have in front of me the annual report—page 34 from '87-88. It shows that the inspections in 1986-87 in the department were 5,913. The next year that dropped to 5,216. If we move along to 1991-92, when we are well within the mandate of the current government, we are down to 2,934 inspections by this division, and if we go to the next year, to '92-93, we are all the way down to 2,729 of Workplace Safety and Health inspections in the province of Manitoba.

This is quite dramatic, in my opinion, and I am quite concerned. I would hope the minister would have some good explanation for why we are not having the level of inspections that we had in the province back in the late '80s. I would suggest that this perhaps is one of the reasons that we have had such a drop in the number of reported injuries and that there is a relationship there. When we have very active inspection programs, I think that there is going to be more attention paid and seriousness taken with respect to workplace safety in the province.

I would just ask the minister, maybe to start off with, to give me some explanation of why the inspections in the province have dropped so dramatically over the last few years.

Mr. Praznik: Madam Chair, I would be pleased to get into this issue, because my answer is the same as I have given last year, and probably the year before, when the member for Thompson (Mr. Ashton) was my critic and asked the same question in the House. The answer is a somewhat complex one, and I am sure the member will be most interested in it. First of all, she is right in terms of the number of inspections being conducted by the branch has declined significantly. The quality of those inspections, the places that we are inspecting, the method in which we are determining where we inspect has changed dramatically. The member can clap her hands and say, the quality, you know, is such a big issue. But there is a difference.

When I took over this department I had a lot of questions for the Workplace Safety and Health Branch, and it is very interesting. Back in those days of another regime when her party was in power and we were doing 5,000-some hundred inspections a year, they were all at random by and large. They were either from complaints, as we still do, we respond to complaints, or they were significantly at random, people just checking, and we issued thousands of orders. In fact, my director told me at the time, I cannot recall the exact number, but there were thousands of orders issued, many of which were for fire extinguishers, because our Workplace Safety and Health officers would go into particular worksites not because they had a complaint, just to go through. They would find nothing wrong except perhaps the wrong fire extinguisher, and that is what they would issue an order, and the statistics looked very, very good.

What we have done over the last number of years, and it has been a progression that has involved both the Workers Compensation Board and Workplace Safety and Health Branch, is to target our efforts so that we are going to those places that have problems, those places that offer the greatest risk. I would think any reasonable person who was working out the administrative functions of a department would want to do just that. One of the great benefits of technology and of having both the Department of Labour and the Workers Compensation Board housed under one

minister is that we were able to accommodate the flow of information from the Workers Comp Board on specific worksites and employers to our Workplace Safety and Health Branch, and that system gets better every year.

So where we see an increasing number of accidents as reported to Workers Comp Board, we can send our people in to find out what is going on, do we have a larger problem here. We also have tended to target our most dangerous workplaces, which often tend to be our larger industrial workplaces, construction being one for example. We embarked on a major safety program with the construction industry in Manitoba, which we are currently talking about renewing for another period of time, which has meant we have had to do less in the number of inspections, but the work that we are doing is probably better and more precise and working with the construction industry in improving the safety in their workplaces and reducing the number of accidents.

Logging is another area that comes to mind. Logging has had some very, very significant injuries over the years. In the logging industry when you have an accident it is not a small one, it is a major one, and it is a very, very serious accident. We have now—in fact I chaired a meeting about a year ago with the Quota Holders Association, because the real problem in the logging industry, for example, has been in the small operators in the bush, and they realized they had a problem and wanted to deal with it. As the member can appreciate, I as minister and my director would need an army of Workplace Safety and Health officers to be at every isolated logging site in the province of Manitoba.

We just physically could not do it. So by working with the Quota Holders Association, we have managed, I think, or are managing now very effectively to disseminate information to be able to know where people are so we can do spot checks, because that industry has come to the recognition that they quite frankly cannot afford their current accident rate, both in terms of its human cost and its financial cost. So that will be reflected in our

inspections, but we are being far more effective in what we in fact are doing.

* (1530)

The member may dispute the value of quality of what we are doing versus quantity, but the proof is in the pudding. The fact of the matter is the accident rate in Manitoba has declined significantly since the period in which he is talking, and that is a fact.

There are a number of reasons for that, some of which are out of the realm of this department, some of which are in. I cannot say specifically how much, but I think we are being very effective in that particular course. We still have a lot of work to do. We have also made some changes internally in the operations of the department. I think our inspectors today have more time for their particular work.

One area I would just share with the member which represented about half of our claims rate at the Workers Compensation Board, the strains-and-sprains particular area. We have initiated some work in the ergonomics area recognizing, in a preventative way, that a lot can be done to reduce that area of injury, which is a major part, one of the most significant parts of our workplace safety and health problems in the province.

Although the member may try to imply somehow that we care less, I think we have given our staff in the department the ability to better use their time and target their efforts. We have provided them with the technology to better target their efforts, the mandate to better target their efforts, and the result has been a contribution to a significant reduction in the accident rate in our province.

On the current course that is what the facts are. The member may try to imply that something is amiss, but I think I would much rather have it the way things are today than go back to the days when we did untargeted inspections and, quite frankly, had a much higher accident rate.

Ms. Cerilli: I would suggest the minister is taking a mighty big leap of faith here. I think that part of

the problem we are having is failure in some cases to report, and I have a number of concerns with what the minister is saying. I do not see why in this province we cannot have quality and quantity, that we cannot have good inspections done in a large cross section of workplaces.

I am also concerned with his comments with respect to them being randomly done previously, and now somehow they are targeted and not randomly done. One of the reasons I am concerned about that, the member for Transcona (Mr. Reid) talks about them being more scheduled, but I have talked to acquaintances or people that tell me, perhaps working, for an example in the restaurant industry where they are an employee there, and they know when the inspector is going to come. That would be a public health inspector. The owner of the restaurant does all sorts of wonderful things to make sure that the workplace is shipshape for when the inspector comes, and then lo and behold, once they pass the inspection things slide back to a standard that is not up to snuff with respect to the standards that we all expect, especially in an industry like the restaurant industry.

We know that this goes on in the community in terms of inspections. We know also, flowing from that, that there are similar problems with reporting problems in workplaces.

I wanted to go to another area, when I look at the annual reports, that is also quite disconcerting. In 1986-87, there were 632 training and education sessions in the department; that increased to 655 in '87-88, and then took quite a nose dive in '91-92 to only 132 training sessions. Now the last number here for '92-93 was only 95 training sessions and education sessions offered.

I am wondering if this is somehow related to the policy change to start charging for training sessions under the workplace safety and health courses or if the minister has some other explanation for why the department is not offering the same number of training courses that it used to in the late '80s.

Mr. Praznik: Madam Chairperson, I am somewhat disturbed by the comments from the

member for Radisson when she references City of Winnipeg health inspectors. Her colleague references Labour Canada inspections at the railway. By some comparison, she implies that our inspectors in the Department of Labour of Manitoba are doing the same thing. That would be unfair to our staff. It is a policy of this department and I am advised by my director is regularly followed, that we do not announce our inspections. The member has not brought forward any particular cases. From time to time, it may happen. The world is not perfect.

But, the member for Radisson, the member for Transcona have not brought forward any cases where that has not been the case or that policy has not been the case in our Department of Labour and she makes the implication that because City of Winnipeg health inspectors announce their inspections and do not do their job and because Labour Canada does not do its job, that the Manitoba Department of Labour does not do its job either. I can tell her, to my knowledge, that is not the case. If she has examples and would like to bring them forward, I would be more than pleased to have a look at them.

So I say to the members that it is unfair to our staff and this department to make that kind of comment when you have no evidence otherwise. If there is we would be prepared to certainly look at it.

I would like to point out to the member with respect to the numbers of training courses that when we started charging for them, there is the old adage that anything that is free is not necessarily worth anything and that by putting a value on it, that was a conscious decision. One has to remember that the Workplace Safety and Health Branch of the department is entirely funded by a transfer from the Workers Compensation Board, which is paid for entirely by employers in the province. There was a sense that by putting a value on training courses that the people who were most in need of them would be the ones who would be paying for them as opposed to the general rate base and they would be of greater value as opposed to just, I am taking another course because it is there. People would be taking courses because they

wanted to and that was representative of the fact they were prepared to pay something to take those courses.

I am advised by my staff, who work regularly with a lot of the other players in the safety and health area in our province, that there have been a host of courses that are now being offered, a growth in the number of courses that are being offered by the University of Manitoba, the Manitoba Safety Council. I believe Rita Roeland is their executive director, and I have had a chance to meet with her on a number of occasions. They are playing a more significant part in the province. The Manitoba Federation of Labour educational area conducts a number of courses in which we co-operate. I believe we even printed some pamphlets on occasion and provided them with some advertising space, et cetera, for the work that they do, and there are others.

So although this department is not offering the same number of courses and is now charging, there are a host of other players, very legitimate players who have a lot to offer and can be, in my opinion, even more relevant to the people taking their courses than we can sometimes be, who are now doing that. So in terms of safety and health education in the province, I do not have a specific number, but I would suggest that we have a very active and vibrant area in this province in educational workplace safety and health and that many, many Manitobans are taking courses. I can tell her I know the member for Osborne (Ms. McCormick) was a speaker at the safety conference last year. I was away, but it was the first one I have missed.

* (1540)

There you have hundreds of workplace safety and health people who are sent by their employers to attend that conference, a tremendous display area of what is available in new technology and that has become a bigger and bigger event every year and is one that just demonstrates, I think, the vibrance of Manitoba employers and labour organizations and safety organizations in working towards the joint goal of reducing accidents and the severity of accidents in the workplace. The fact

that our statistics of per thousand workers are going down demonstrates that this joint effort by so many in this province is bearing fruit.

Ms. Cerilli: Madam Chair, the minister perhaps could provide a list to show that what is happening is that there is a wider range of courses being offered or a wider number of organizations offering courses and that the total number of training opportunities in the province for workplace safety and training education is not decreasing.

We know the tactic that is often used with respect to cross-jurisdictional service where it will be said that we do not want to duplicate service, but what ends up happening is it is really a guise for cutbacks and we have services decreased in a total number because one jurisdiction does not want to duplicate or do what another jurisdiction was doing as well. What ends up happening is it is either offloading or we end up losing the total number of training opportunities in the province.

I would just like, perhaps not now because this could be a fairly detailed or long list, but I would just ask if the minister would supply me with a list of the variety of places in the province that are offering workplace safety and health-related training courses and educational seminars to show that there has not, indeed, been a decrease in the number of opportunities in the province.

I would like to move on to one more area where I want to ask some questions before I pass the puck, as it were, over to my Liberal colleague. I know she has a large amount of expertise in this area.

I want to make reference to a question I asked the minister back on April 28 when we were looking at the potential decrease in the staffing and the reduction in the budget, maybe just for the record to note that the budget has dropped significantly since '87-88. There are tens of thousands of hours less being worked in this area. When I asked the minister to describe how the decrease in the budget for the division was going to affect workplace safety and health in the province, he made reference to some statistics.

I am somewhat concerned that these statistics are not really related to workplace safety and health but rather to Workers Compensation. I would like the minister to see if he can clarify that. The minister said he wanted to point out that since 1988 the number of accidents in our province has decreased by nearly 30 percent from 53,000 in 1988 to 36,600 last year. Then he went on to say: What is even more important is the injury rate has gone from 153 accidents per 1,000 workers to 110 out of a thousand in 1993.

I would just like for the minister to clarify, what is the source for those statistics?

Mr. Praznik: The member for Radisson asks a host of questions. I hope I can deal with them all.

She mentions about the tactic of cross jurisdiction. There is also of course the tactic of innuendo. I say to the member, really to do justice, particularly, you have to look at all that is being offered, the need that is there at any given time. It is a changing and evolving process. We have made great efforts in the last few years with the construction industry, now with the logging industry, to address our highest risk areas in co-operation with those particular industries, and we are seeing a success. How that information is disseminated, how courses are offered, the number of people attending courses varies with situations. Simply looking at outright numbers I do not think necessarily tells an accurate picture.

I would recommend though that she look at WorkSafe, which is a publication of the department, and go back however long she wishes. Most courses that we are aware of are advertised in that particular publication which is available. My department would be pleased to make it available to her.

With respect to previous comments and statistics, I think my point—and again it is a point that I cannot stress enough. We can be criticized for our efforts here and there, and no department or minister or director or staff always does everything right. Goodness knows we certainly do not. There are things that we do not do as well as we would like or things perhaps we could do better. We keep trying to do things as well as we can. The ultimate

test of this department, of all of the players in health and safety in Manitoba as to whether or not we are achieving success is in our accident rate.

I believe the numbers that I quoted from—and I was looking for that particular sheet and I have not been able to locate it among my papers. It was statistics prepared by the Workers Compensation Board, who are the recipients of reported accidents in the province. As the member should know, the failure to report an accident is subject to a fine. We do not have evidence of a significant number of cases where accidents are reported. I know that is always the comment that comes up. If you want to dispute the statistics, well they are not reported, but the decline has been significant enough that I think even if there has been a small increase in accidents not reported it still does not affect the general decrease in the accident rate in the province.

As I have said, there are a host of factors. Some of them are in the control of this department and players, others are not. The general rate of accidents in the province has been on a steady decrease over the last number of years, not in just absolute terms but in terms of the rate per thousand of workers or thousand hours worked.

The proof is in the pudding. The trend is a good one, and we have to continue to work on that trend. That has involved a lot of people in labour and management and the compensation board, in workplace safety and health and all the various players and, of course, the industry associations that we work with. I think we are on the right track. There is room for improvement. There is always room for innovation. There are some things we do not do as well as we should. There may be some things we are doing wrong from time to time. The ultimate test by which we are judged are those accident rates. They are tending to fall, and that is an established fact from reporting.

Ms. Norma McCormick (Osborne): Madam Chair, I have listened with interest and have tried to determine from the minister's remarks what is now the new criteria for targeting workplace inspections. I have written down the words, the places which offer the greatest risk with respect to

increasing numbers of accidents and also targeting dangerous workplaces.

Can the minister describe to me what kinds of accidents are evaluated in terms of choosing the places that will be subject to inspection?

Mr. Praznik: Madam Chairperson, first of all, we always respond to complaints as the member well knows. If we have a complaint about a workplace that requires an inspection by a Workplace Safety and Health officer, we will always respond to that and that includes complaints from individuals. That includes complaints that come to us anonymously. That includes complaints through workplace safety and health committees. So we always respond to complaints. Depending on the nature of the complaint, there is a certain amount of triaging of complaints among staff. If the complaint is for a minor issue and there is something more pressing that has to be done, one has to give latitude to administrators to do that.

* (1550)

What the director and his staff do in terms of targeting is they have available to them a number of sources of information, some new, that did not exist a few years ago, the most important being our link with the Workers Compensation Board. As the member is probably aware from her work with the advisory council over the years, until just a few years ago all we could obtain is sort of the industry picture, that we had so many accidents in this particular industry. The Workplace Safety and Health Branch could not get down to what employers and what worksites were having what kind of accidents and injuries. They now, with the computer link and agreement between the two, are very much able to glean that information. So they are able to better assess where we are having accidents, what type of industries and what type of employers.

I say to the member one interesting bit of information she will probably find a bit fascinating, as I did, is when we first started looking at this we ran a list—Mr. Farrell was the director at the time—of the best and the worst firms. We used a rating of two and a half times. If you paid two and a half times in compensation

what your employees claimed, you were on the good list. If you had paid out two and a half times what your rate was, you were on the bad list. We had about 50 come up on each. We just wanted to sort of compare. It was interesting. There were people in the same industry, competitors doing the same thing on the good list and the bad list.

So it showed to us that you can have a safe workplace, that it was not necessarily the type of industry that you were in that made your place unsafe, it was how you ran it. So with that kind of information, it has allowed us to do more targeting. So we have looked at industries that have had high fatality rates, that had the severity of the type of injury, and that is why we embarked on a special program with the construction industry and now are doing it with the logging because they were both, in terms of severity and fatalities, higher than most.

We also have managed to look at an area where we have a large number of claims in the area of ergonomics that the member is familiar with. That was an area that we have also targeted in terms of proactive response to saying you can prevent these injuries by doing these things and spending a lot of time in information and dissemination of information and working with companies to improve their situation. We have also—and I am just going through my notes here because I know the member is particularly interested in it. Because we have hired a chief occupational medical officer and we have one epidemiologist, we are evaluating sector data to find out high accidents and severity in areas where those people can be of influence to us, particularly in relation to toxic substances in the workplace.

We look at risk, we look at factors where we have accidents, injury and illness and we target, and it is an evolving process as our data comes forward and identifies problem areas and as we have success in resolving them once they are identified. It is an evolving process, but what our goal is is to dedicate our efforts and time to areas that have problems that are affecting workplace safety and health and creating injuries and illness and spend our time in those areas as opposed to

just sort of a shotgun random approach that sometimes produces results and sometimes does not.

Ms. McCormick: Madam Chair, trying to get a specific answer to my question, what percentage of inspections occur following a complaint or a serious time loss accident?

Mr. Praznik: Madam Chairperson, all I can offer is the best guess of our director which would be about 30 percent across the board. One has to appreciate it may vary very much from industry sector to industry sector, et cetera. The 30 percent across the board probably is not meaningful in an area of a specific problem or sector.

Ms. McCormick: I can then conclude that 70 percent of inspections are prospective in nature oriented to ensuring compliance as opposed to determining accident causation.

Mr. Praznik: The approximately 70 percent is accurate across the board, but 30 percent of the work of the department is in the mining sector and construction. There we have very, very proactive so there it would be much higher than 70 percent of our work, because the accident rates in those areas have been declining and we have been very much involved in a proactive area in both mines and construction. As I said, the general numbers of a 30-70 split are not accurate as you break them into sectors.

Ms. McCormick: Could I assume from what I have just been told that the inspections done by the safety people in the sectoral-based safety initiatives such as the construction associations are included in as inspections by the department?

Mr. Praznik: The member must bear with me as I am trying to glean the specific information from my staff. We are talking about inspections and investigations and field work, and particularly in mining, for example, we do regular inspections in most mines across the province. That would not include the proactive work we do with the association in developing or assisting them in developing safety programs or the like. It would be the times we actually do an inspection or an investigation on a worksite, and that might be just to ensure things are going well. I am getting some

additional information, if the member will bear with me.

Madam Chair, if this is help to the member for Osborne (Ms. McCormick), the work that our staff would spend in working with those particular groups like the construction and safety group or the logging group would not be counted. Those would be our numbers for inspection or investigation. I am advised that about 30 percent of our inspection or investigatory work would be in mining and construction.

Ms. McCormick: Madam Chair, you referenced three regulatory areas that I am interested in pursuing: hearing conservation, the chemical safety through WHMIS and the Workplace Health Hazard Regulation, and the ergonomics area.

Can you tell me, given that we estimate there are about 110,000 Manitoba workers who are exposed to noise in excess of the 85 decibels which requires the implementation of a hearing conservation program, how many annual reports of hearing conservation programs are filed with the department in a year?

Mr. Praznik: Madam Chair, I am advised that we have several hundred filed. I wish I could be more specific. I will commit my director to get that specifically.

As the member knows, in the current hearing regulation there is no specific requirement to file, but in the proposed regulation that we are working through currently on hearing—and I appreciate concerns with the time it is taking to move that through. There have been, as I outlined earlier today, difficulties in putting that into a form that was as useful and usable as possible. That current regulation includes a recommendation for a requirement to file those plans with the COMO. There are of course some benefits in doing that, I would probably understand, for Workers Compensation Board. It is a useful improvement that I would look forward to when we deal with the entire package of that hearing regulation.

* (1600)

Ms. McCormick: Madam Chair, with respect to the WHMIS and the Workplace Health Hazard Regulation, which controls the use of designated

substances in the workplace, can the minister advise the number of prevention plans which would be on file as required by the Workplace Health Hazard Regulation?

Mr. Praznik: As the member may be aware, there is no requirement to file, so we have a few, I am advised, a specific number I cannot give the member at this time but I will undertake for the director to provide that to her.

Ms. McCormick: Madam Chair, with respect to the ergonomics initiative, can the minister advise the number of workplaces for which there was either ergonomic assessment or the development of some kind of work design or modification initiatives?

Mr. Praznik: Firstly, I am advised that there have been about 30 workplaces where the department has been actively involved in the last year in ergonomics improvement issues. There are, of course, because of the conference that we held and the general dissemination of information, a host of others, I am sure, who are working in this particular area, and that must be one of the factors that is contributing to the decline in our accident rate in the province.

The downside of this answer, Madam Chairperson, is it is not as many workplaces as we hoped we will inevitably get to. The positive side is that we are probably one of the only provinces in Canada today who have launched this type of initiative, so I am advised. So we are a bit of leaders in this particular issue as a proactive department, and we intend to continue to be. I think we certainly have a lot more work cut out for us in this area, and that is why, as I said earlier in these proceedings, that the ergonomics area was certainly one of the priorities of this department, this branch, over the next few years. Why we would not be getting into the human rights area is because it was not, quite frankly, as high a priority.

Ms. McCormick: Madam Chairperson, can the minister advise me, what percentage of Workers Compensation Board claims are now related to soft tissue injuries as compared to the percentage for trauma-induced injuries?

Mr. Praznik: Madam Chairperson, I look for—and I do not say this in any way to put off the member's question, because it is an excellent question. I just want to add the caveat that when we get into the Workers Compensation Board, which is not an item on this department, I will have for her exact specific numbers. So today I am giving her maybe perhaps some generalities, and I only attach that caveat.

Mr. Farrell, my deputy minister, who was acting CEO at the compensation board for a nine-month period about a year ago, he and I just conferring here are both under the impression that with some vagaries, small variances, that by and large the accident rate was coming down generally in most categories.

So based on the data we have been looking at, we are under the belief that it has been, with a couple of exceptions, one being carpal tunnel syndrome, a repetitive strain injuries area, which has been on the increase, I believe, and also our fatalities in the agricultural sector.

Ms. McCormick: What I was trying to determine by this line of questioning is, when the department is targeting those most dangerous workplaces, is exposure to noise, exposure to chemicals and exposure to ergonomic conditions giving rise to soft tissue injury—are each of these areas considered in determining risk, which then would cause the division staff to want to pay more attention in those areas?

Mr. Praznik: Madam Chairperson, the answer would be yes. Certainly they fit into the risk factors with a bit of an exception and that is in the ergonomics area. I cannot underscore enough that we are very much on the leading edge in this particular area, and so our proactive efforts—the 30 or so workplaces that we have gone into in this area—have been areas where we have had the co-operation of all involved including the Workplace Safety and Health Advisory Committee, the employers, the unions representing the employees, the employees, to address these issues proactively to deal with that particular risk.

In some ways, it is very much a trial as we see how this works, and as we start to get positive

results as we work our way through, then we have very strong grounds for moving the program elsewhere. So the answer to the question is yes, with that caveat that we are still very much in the developmental stage in ergonomics—not with our knowledge of ergonomics, but how we, as a department, get involved and work these things through in a productive way that is proactive and reduces injuries as a result of ergonomic issues.

It is new ground for us, and we are treading through it and making some mistakes, I am sure, but learning a lot and hopefully be able to see this program grow.

Ms. McCormick: The minister has raised the reapproval or refunding of the sectoral-based safety programs. I would like to know from the minister, what criteria will be used in evaluating the success of the sectoral safety programs?

Mr. Praznik: Madam Chair, both of our agreements with the construction industry and with the logging industry provide for review, I believe, after three years, in which case our staff—pardon me, with the stakeholders involved—will endeavour to determine whether or not they have had an effect. If not, why not; if so, what they are doing well.

I can say to the member one has to appreciate in these things that in both cases the funders of this program are those particular industries, so they have very much a vested interest in seeing some success for the dollars spent. We certainly do not have time to waste, so we want to see success.

I know I met recently with the construction industry group who feels very, very strongly about renewing their particular program for the last three years. Although I do not have the specific numbers here, perhaps we can discuss them in the Workers Compensation Annual Report review by a committee of this Legislature, but my understanding is their numbers have shown a decline in accident and injury.

The logging industry: We have just embarked on this in the last year, so if we are starting to see some success—you know, if we do not, we have to ask the questions at the evaluation, why not, and is this the right approach?

* (1610)

Ms. McCormick: The minister has just said, we will have to ask the questions at the evaluation. Is there an evaluation criterion set out? Will the evaluation be done including the Workplace Safety and Health division representatives and the Workers Compensation representatives? Is there an intention to have an outside evaluation? Will it be a program audit? Will there be financial audits? I would like a little more detail on your plans.

Mr. Praznik: Madam Chairperson, I appreciate the specifics that the member for Osborne is requesting. Our concern from workplace safety and health will be on the safety impact of those programs. Are they effective in reducing risk, in reducing injury, in reducing severity of injury? Those types of questions we have to ask. The questions as to the audit, financial effectiveness, et cetera, one has to appreciate that our investment as a department in these programs is one of time and the experience of our staff. The programs are paid for by those particular sector groups, so they will, through their own chosen method of financial evaluation, have to determine whether they are getting value for money. The Workers Compensation Board, who works with them, will also have to make that same determination and will have the statistics and data on which that can be based.

One has to appreciate that the full cost of those programs, even the time cost of this branch, are paid for by the employers of Manitoba. So their interest is one of certainly making sure that they are getting value for money in their program areas.

Ms. McCormick: Madam Chairperson, there have been some concerns raised that an amount of money is being funnelled into things that are not necessarily related to safety, for example, chargebacks for office and administrative costs for social events, activities which are not necessarily directly related to safety. Would it be the responsibility solely of the industry executive, or would either Workers Compensation Board or the safety and health division be interested in seeing the amount of administrative versus program costs which are being incurred by these programs?

Mr. Praznik: Madam Chairperson, the member raises a particular question. My staff were well aware of the particular issue because I think it—not in any way to take away from a very legitimate question, but I understand that there was a personnel matter involved in this program in which a particular individual was let go by this program and that accusations, similar to the ones being voiced by the member for Osborne, were also made at that time. I am advised that an audit did take place and that the expenses that were part of the program were determined to be, in the course of that audit, legitimate. There was a chargeback, I understand, for the office space of the program to the Winnipeg Construction Association, which was a legitimate cost in terms of office space. There was not, to my knowledge, a misuse or an adding on to the expenditures of things that were not legitimately part of that program operation.

The member raises a particular concern. I guess it always proves one should be vigilant. These accusations can be made, and I would gather that the parties who were part of those agreements, particularly in the logging sector, as they get into it, will want to ensure that there is a proper audit done to prove expenditure of money.

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

Ms. McCormick: Does the minister have an indication, or perhaps we could B/F this to the Workers Comp area. What is the take-up rate by sector of the number of employers who actually are participating in each of the sector-based programs?

Mr. Praznik: Of course, we have the greater Winnipeg construction program, which is dealt with by the Workers Compensation Board. The majority of their members, of course, have to sign up to be part of the program. The exact number we will have for the member in the Workers Compensation Estimates. They would have that type of detail there.

Manitoba heavy construction, again, the majority, Prairie Implement Manufacturers have a program for the Workers Compensation Board;

and the Manitoba Restaurant Association. In each case, I think the Workers Comp Board requires a majority of each to be part of it and to approve the extra assessment and to be part of the program.

The one that our department is dealing with specifically, where we have taken the lead, has been with quota holders. The take-up there, of people who are involved, has been quite high, I cannot say all, but certainly approaching the vast majority of quota holder, quota operators or logging operators in the province.

Ms. McCormick: I want to switch gears now and ask him about a few other areas. For example, I am interested in learning about the participation of the Workplace Safety and Health division on technical advisory committees for licences being issued under the Department of Environment.

One example, of course, is Louisiana-Pacific, where the use of methylene diazocyanide and the presence of particulate matter in the workplace is an area of potential exposure to employees.

Did the Workplace Safety and Health division participate on the TAC reviewing the application of Louisiana-Pacific prior to it going forward to public consultation?

Mr. Praznik: Yes.

Ms. McCormick: I wanted also to ask some questions. I will review Hansard. I apologize for not being here at the beginning. One of my children graduated this afternoon from junior high and that took priority.

You have answered questions I understand on the hearing conservation and noise control regulation on the status of the first-aid regulation and on ticketing in construction, but I am interested in knowing what is the status of the industrial regulation?

Mr. Praznik: Mr. Acting Chair, I can tell the member that the industrial regulation is not one that, to my knowledge, has been provided to me. I am advised that it is still with the advisory council who have set up a subcommittee chaired by Barry Seminow [phonetic] to review it and make recommendations to the larger committee.

* (1620)

Ms. McCormick: Another area of concern is that the Workplace Health Hazard Regulation still references the 1987-88 issue of the American Conference of Government Industrial Hygienist TLV books. In fact, I was just involved in a situation in which the exposure levels found to be present in the workplace satisfied the '87-88 regulations but would not have satisfied the current regulations were they adopted.

Can you tell me the status of the re-evaluation, I guess, of the OEL and the TLV exposure limits that are to be cited in the regulation?

Mr. Praznik: Madam Chair, I noticed the member said she was involved in a particular situation. I know, in a life outside of this Legislature, she is very active in workplace safety and health issues, and this is a particular one that is getting into the great technicality of the department that, quite frankly, I am just conveying definitions to the member.

If it is involving a particular circumstance that she is involved in, and I appreciate the technical issue here, I would be more than pleased to invite her, whether it be in a professional capacity as representing a client, or whether it be as a critic of the party, to meet with my staff to discuss this. Quite frankly, on the very technical issues of which she has raised, I am conveying information from my staff to the member that has very little meaning to myself, who is not a scientist, and act on the advice of others who do. I would be more than pleased to have her meet with our particular staff to discuss that in detail if that is what she would like to do.

Ms. McCormick: No. My illustration was simply to point out that we have 1987-88 TLVs in place. Is there an intention to update the Workplace Health Hazard Regulation to use a more current version of the TLV regime?

Mr. Praznik: Mr. Acting Chair, again on this very technical area, in which this means very little to someone who is not from a science background or an understanding of these particular issues, I must act on the best advice of my staff. At this time, I have no advice or no recommendation that a change to that regulation is required.

Having said that, it is not my intention to recommend to my cabinet colleagues that we amend that particular regulation.

Ms. McCormick: Mr. Acting Chair, the 1988 Workplace Health Hazard Regulation contains a list of designated substances which was the best information at the time with respect to carcinogens and respiratory sensitizers. It has been the stated intention of the division over the years to update the designated substances list. Can the minister give me information on what is the status of the review of the designated substances list?

Mr. Praznik: Mr. Acting Chair, I understand that it is currently under review by our chief occupational medical officer, who will, upon completing that review, come forward with recommendations through the system to me as minister.

Ms. McCormick: Mr. Acting Chair, any idea of the time lines of this initiative, when we could expect the COMO to report?

Mr. Praznik: No.

Ms. McCormick: Thank you. I wanted to move off the Safety and Health division if this is all right and move into just the general area of codes and practices.

The 1995 National Building Code is due out in this coming year. Is it the minister's expectation that the 1995 National Building and Fire Codes will be adopted quickly, following their issue from Ottawa?

Mr. Praznik: Mr. Acting Chair, as staff from the gallery join us on this particular issue. It is my honour to welcome back to active service Mr. John Matheson, who is the Fire Commissioner of Manitoba. He will be joining us very shortly. The reason why I do that is that Mr. Matheson underwent very serious surgery last December and was on a medical leave from the branch for quite a number of months, and I can tell you that we are all very honoured and very pleased and very delighted to have him back in active service as Fire Commissioner for the Province of Manitoba.

With respect to the question the member is asking, I am not going to give a commitment to the

member today as to time frame. I recognize fully that there is a need, once the recommendations come forward on a National Building Code for us to move with some haste, because the industry out there wants to know what is happening, but I from past experience can tell the member that what this government as many others will not do is simply accept holus-bolus the recommendations coming forward without a review.

There has been some concern expressed in a variety of sectors in construction that from time to time what works into the code are specific product lines that are developed for reasons that may not have any resemblance to risk. I, as a minister responsible for those codes, always reserve the right to review the recommendations of the national code committee and to work through in Manitoba and take forward those that we believe are suitable to the specific needs of our province. We do recognize that that cannot be a long, drawn-out process, so once the recommendations are forwarded we will begin our own internal review of those particular codes and make any changes that we believe are required in them, if such changes we believe need to take place, and then we will pass them through in that form.

Ms. McCormick: I have an ancillary question in this area, and it amazes me, having gone through Estimates in a number of departments including Environment, and I have reviewed some of the information in the Energy and Mines area. Certainly in Natural Resources, we have a recurring theme of sustainable development. It surprised me that there was no mention of sustainable development initiatives in the Department of Labour with reference to codes.

Is there any work being done by the Department of Labour or Department of Labour representatives with respect to looking at those areas in which the retrofitting of old buildings and the construction of new buildings can be done in an environmentally sustainable way?

Mr. Praznik: Mr. Acting Chairperson, first of all, for the edification of the member, the process of developing the codes through the provinces to a national level and coming back to the provinces

involves hosts of advisory committees and representatives of various associations that have an interest in construction, construction materials. There are many, many opportunities to put forward new ways of doing things that are better than the ways they have been done in the past or new particular products that are more sustainable.

One of the issues that I reserve as minister when the new national code comes forward is the right to look at the recommendations that are there because there may be some that prove not to be within the order of sustainable development that we may not want to accept. So we certainly will consider that from a Manitoba perspective.

One initiative that we are taking that I am very excited about, and we have only had preliminary discussions to date with Grand Chief Phil Fontaine, is the development of a remote building code, for lack of a better name at this current time. That would be a code that would take into account the use of natural materials, particularly log construction, and for buildings that are suitable for isolated or remote particular areas.

* (1630)

This particular initiative is one where we have just had very preliminary discussions about doing it jointly with the Manitoba Assembly of Chiefs and our department. They see it, I believe, as being useful to stretch housing dollars in isolated remote communities and, from our perspective, develop a code that would apply to construction that could be used in many areas outside of the aboriginal community in our province.

So in many ways, the principles of sustainable development will certainly be part of that particular area. It is not one we have announced, I guess we do not have an agreement on today, but it is one we are exploring with the Manitoba Assembly of Chiefs as we enter this whole area of self-government. So her comment certainly fits in with that initiative.

(Madam Chairperson in the Chair)

McCormick: I just have one final area of questioning before I am prepared to pass it back. We have received several letters of concern,

including one which was sent to yourself, Mr. Minister, from the Manitoba Building and Construction Trades Council, with respect to the great fanfare of the announcements of Louisiana-Pacific and the construction jobs that it would create.

From this letter it is apparent that there is great fear that the project managers, being from outside of Manitoba, will be hiring roving work crews and that in fact Manitoba's own skilled workforce will not benefit from the construction of the Louisiana-Pacific plant, should it get its environmental licence.

Has the minister responded to the letter of May 30, and can he give me some indication, if he has, of the nature of his response?

Mr. Praznik: Madam Chairperson, the member has touched upon the whole issue of Louisiana-Pacific. I take it that in being concerned about construction jobs, which this government is concerned about, being concerned about the economic benefits that that project can bring to this province, subject to the environmental review process, are a good thing, and I take it from her question that the Liberal Party of Manitoba is going on record as being supportive of this project and the efforts of this administration and the people of Swan River to secure this very, very important project for the people of our province.

Ms. McCormick: I am interested in getting the answer to my question. Did the minister respond to the May 30th letter, and what did he respond in answer to their request: We would request any information on planned action by the government which may be proposed to protect construction jobs for Manitoba trades people on the proposed construction of the new strand board plant near Swan River.

Did the minister respond and did he give any indication of what protection or encouragement the proponent would be given to employ Manitoba trades people if the plant is built?

Mr. Praznik: Madam Chair, first of all I would have to check my correspondence if I have responded yet. If I have not, response is in the process of being drafted, but I say to the

honourable member, there is a host of issues that she brings to this question. One of them is freedom of movement between provinces. If the member is taking the viewpoint of this particular group that has written to me that there should not be a mobility to labour in this country, that there should be a restriction on who can work on what site, as the government of British Columbia is attempting to do currently in some of their legislation, then one must also be prepared to see Manitobans shut out of other work outside of our province.

So there is a very fundamental principle that has to be addressed in the query that was made to me, and it has been the position of this government, and I think for very good reason, that mobility, freedom of mobility of labour across the country, is an important part of building economic links across Canada and reducing our interprovincial trade barriers.

So if the member is supporting a position that we should enact legislation, because currently we have no legislation that restricts who can work on construction sites in Manitoba, if the member is suggesting we do that, that would certainly be a major barrier and would result in, I am sure, other provinces taking action against us to keep Manitoba workers out of construction sites in other provinces.

I have to tell the member, I had a group, I believe it was the elevator union, I cannot remember their official title, but they are the people who build, install and repair elevators, and they raised with me the number, for example, I think something like 70 percent of the work hours of their members are now done outside the province of Manitoba. Again, this is a fundamental principle. What we do have in Manitoba, and we have had for many years, is The Construction Industry Wages Act that sets a minimum wage level in the construction industry which everyone must pay whether they be in Manitoba or outside of Manitoba, so that employees could not come from other provinces and be paid less than that minimum. That is the way that the system has operated in Manitoba for a number of years.

I can tell the member though that this government, within the bounds of recognizing the importance of the principle of mobility of labour, will work very hard with the Manitoba construction industry and very hard with the local people, particularly in the subtrades, to ensure that they have the ability to be competitive and to secure as much employment as possible in the construction of that plant, should it receive the proper environmental approvals to move ahead.

We are very much in favour of seeing Manitobans maximize the construction jobs but within the principle that mobility of labour across Canada is an important principle and not building up restrictive trade barriers between provinces, that being an issue that we should avoid.

I would hope that the member for Osborne (Ms. McCormick) would clarify to this committee in her next question whether she in fact supports the principle of mobility of labour in reducing trade barriers, or she opposes that and would like to see restrictions on mobility of labour and the construction of trade barriers across our country.

Ms. McCormick: Madam Chair, my understanding of the Estimates process—and I am very willing to grant that I am new at this; this is the first year I have gone through it—is that this is the opportunity for us to question the minister of the department and the department staff with respect to the duties and the activities of their department.

I was asking a specific question about whether or not the letter had been responded to. I also wanted to pursue the consistency between the announcing of this project as good for construction jobs and what appears to be a fear in the skilled trades area that the construction jobs for the skilled trades will not in fact be to the benefit of Manitoba workers. That was my purpose in asking the question.

My position on this is not relevant to the Estimates debate, and I would appreciate the minister's response.

Mr. Praznik: Madam Chair, this is certainly an Estimates debate, but this is a political place. This is where people bring forward their points of view,

and the member for Osborne is the critic of the Liberal Party. She asks me a question which is to determine some principles of policy on this particular issue, yet, like Liberals everywhere, ducks indicating to us what the Liberal Party position is. It can only lead me to the conclusion that the member for Osborne, like many in her party, will take the position of supporting that point of view when she is in a room with people who want her to support that point of view and taking another position when she is in another room with people opposed to it.

As I have said to her, there is a very fundamental issue here of mobility of labour. The Louisiana-Pacific project, which was initiated by the people of Swan River through their economic development group, should it receive the approval of the Clean Environment Commission and Louisiana-Pacific proceeds with that project, will bring the opportunity to this province of thousands of workdays of construction. It will bring the opportunity to work, and it will be up to Manitobans in the construction trades and the construction industry to take advantage of that opportunity. That means they will have to be competitive—[interjection]

* (1640)

Well, the member for Transcona (Mr. Reid) talks about lawyers having a set fee schedule. I do not see in this Legislature the power of legislative authority having set a fee schedule for lawyers. Lawyers do not have the power of law setting their fee schedule, and various lawyers charge different rates, and they have to be competitive. I have not practised law with my own practice, but I can tell the member for Transcona that rates can be very competitive in the legal profession, and they vary depending on how much one wants the work. In fact, all one has to do is look at house transfers. I remember when I started out as a young lawyer, you would get \$400 or \$500 to a house transfer. That got down to under \$200 because the market was competitive.

The Louisiana-Pacific project, subject to environmental approvals, gives to Manitobans opportunities, opportunities to work, opportunities

to work in construction, and it will be up to Manitobans in that industry to take advantage of those opportunities to be competitive in taking advantage of them.

If the member for Osborne (Ms. McCormick) and the member for Transcona (Mr. Reid) are suggesting, as I believe they are, that it is up to this Legislature to impose some legal authority that says that if you are going to build anything in Manitoba, then Manitobans must work on it, oh, it is a great line. It sounds great when you are talking to maybe an unemployed construction worker, but when Manitobans are cut out of jobs in other provinces, when Manitobans are cut out of jobs south of the border because they impose the same rule on us that we would impose on them, then let those members look those people in the face and explain why they are cut out of that work.

I will tell you, Madam Chairperson, there are many, many Manitobans who work in construction and the building trades who do much work out of this province. One should ask them if they would want to see a barrier such as being suggested by members opposite created or the issue being ducked by the member for Osborne and the Liberal party.

So I say very clearly that we will do whatever we can to ensure that we work with Manitobans in the construction industry to have the skills to be competitive, to help them be competitive. That is why this government has worked towards developing a tax structure that is competitive. That is why we have worked at keeping our costs of government down, so that our people in this province can be competitive. That is why we want to run an efficient Workers Compensation Board and bring accident rates down, so that we can be competitive. That is what it is all about, and that is what we continue to work at and the Ministry of Labour does its part in achieving that objective.

By setting those goals and by ensuring that Manitobans can be competitive when the people of Swan River find an opportunity to enhance the economy of their region and our province, Manitobans then can be competitive to ensure they

maximize the benefits that that project brings. That is what it is about, Madam Chair.

I found it just so ironical that the Liberal representative in this committee today would somehow imply that this project is not good because Manitoba construction trades will not get the jobs because they will not be competitive unless this Legislature makes them competitive by giving them some special privilege. That is not appropriate, not at all.

Madam Chairperson: Item 1.(b)—

Mr. Daryl Reid (Transcona): Since time is growing short for the Labour Estimates, I have a few questions I am going to give to the minister as notice and will hopefully be raising these questions during the concurrence motion that will give me the opportunity to achieve the answers I am seeking to the questions I am about to put on the record.

For the minister's notice, I would like to know, and I will give his staff the opportunity to record this as well, the number of worker advisors that we currently have, because they fall under the direct jurisdiction of the Department of Labour, whether or not these positions that we have are full time or part time, if there are any existing vacancies within the Worker Advisor Office, and if so, when are they going to be filled? Do we have any people under contract as advisors? What is the caseload for each of the worker advisors, average and year-over-year comparison?

I would also like to know the names of the worker advisors. I would like to know the length of service for each of the worker advisors and what their assigned duties are, and if there are any restrictions on any of the worker advisors relating to whether or not they are allowed to purely intake for the Worker Advisors Office and whether or not they have any restrictions on their abilities to handle any caseloads and whether they should or should not be handling caseloads.

I would also like to know why junior advisors, because I am told that this is currently the practice, currently have the ability to shut down case files when it may not be in their experience purview to undertake that action. I would also like to know

what training is provided for the worker advisors, because it is my understanding that several worker advisors, new worker advisors have been hired. The minister may not have the staff here and it may give him the opportunity, and I will raise this matter during concurrence.

Also the minister made reference to the fact that there were some problems with respect to the people, allowing them to undertake to negotiate and to charge whatever fee they want. Maybe the minister then needs to look at his own position and the position of some of his colleagues from the law fraternity, Madam Chairperson, and change the method in which the fee structures are negotiated, that lawyers provide services to the communities. I mean, if we are going to have fee schedules set for lawyers, then why is it not comparable to have similar services set for people in construction. I have had to pay these fees myself.

An Honourable Member: Shop around.

Mr. Reid: Sure you can shop around, but that does not mean that the fee schedule is not set, and that is what we are asking for here, is to have a base line.

Mr. Praznik: Madam Chair, I think we should be able to answer many of those questions when the staff get down here, but I say to the member, if he feels he has overpaid for legal services, I am not going to defend his shopping habits or who he has hired or been overcharged or not. Shop around.

When I have needed the use of a lawyer for a house deal or any such thing, I have shopped around and I have gotten a good deal. There is no minimum fee in the legal profession. You get what you pay for and, quite frankly, it is true in construction, you get what you pay for, except we do have a minimum rate in construction, unlike virtually every other industry in the province of Manitoba. If we want to debate that there are probably other times to do it outside the House, but the member should not bring his failure to shop around for legal services, his inability to be a good shopper and overpay for something to this House and ask that the Legislature somehow solve his problem of being a poor shopper.

With respect to the Worker Advisor Office, I will deal with those questions right now, Madam

Chair, because they have been asked. First of all, the number of worker advisors we currently have is 12 people in the branch. One is a support staff who is also doing training to do some worker advisor functions, another is a secondment from the federal government, which will be ending shortly. All of these people are, I believe, full-time staff. We currently have no vacancies in the branch. There are no staff who are on contract, you know, with the caveat of the one person who is seconded. That really is not a contract.

* (1650)

With respect to the caseload, the average number of cases—by the way, this is the largest staff I believe we have ever had at the Worker Advisor Office. In terms of caseload, and remember this number may be somewhat misleading in the sense that there are always tougher, more demanding cases than others, but the highest would be a caseload of 87. The average would probably be somewhere around 65 or 70. Just looking at the list, it varies from 22 to, as I said, a high of 83.

One particular note that I make for the member is when Mr. McFarlane, who has joined us now, who is executive director of this part of the department, took over this area he did a comparison of similar offices across Canada and the caseload that those offices were carrying and found that ours at that particular time was not carrying the same kind of caseloads in volume as similar organizations in other provinces. We made some effort to reorganize, look at how we handled workloads, how we dealt with cases, our own administrative procedures, and managed in a very short period of time to bring ourselves up to what others were doing in other provinces. As well, we found that our backlog for worker advisors dried up to what had been six or seven months just by reorganizing the way we were doing things and improving our work performance that virtually the backlog dried up. I do not believe there is a backlog today in that branch, that if you required a worker advisor you could probably be assigned one within a week.

Carrying on with the questions the member raises. In terms of training, our worker advisors are trained internally. We also work with the Workers Compensation Board who have offered and work with us in setting up training programs on all of their various policies, procedures, et cetera, so our officers are well aware of what they need know to handle specific cases. With respect to junior advisors shutting down case files, I can tell the member that one of the difficulties we had in this branch, and I remember it as a problem before I was minister when I was in the government back benches, was that there almost was a period of time when no one ever shut down a file, even one where it had been appealed, it had been lost at appeal, there was not any evidence to take the case for a review of that adjudication, but the file was kept on and on and on.

So this office now very much acts in a similar way to a law office that a case file is open, the work is done. When a point is reached where either it is resolved or all avenues of appeal have been exhausted or there simply is not the evidence to support an appeal and there is nothing more that can be done with respect to that file, then the file is closed. Files can be reopened if new evidence comes forward or circumstances change, but one of the great disservices, I think, that that office in the past did to many claimants was keep the hope of an appeal alive when there was not sufficient evidence or reason to do that.

In terms of providing the member with the names of all of our worker advisors, what I will do is I will undertake to have our staff provide him with that list in writing, you know, given the fact that there should be some privacy to those individuals involved.

Mr. Reid: I can understand the minister wanting to do that, and I appreciate that, and I will look forward to the list.

Can the minister tell me if the one support staff or the one seconded from the federal government, I take it—the minister indicates that the seconded individual is going to be leaving soon or that agreement is going to be ending. Have there been any restrictions or were there any restrictions

placed on the individual's activities when they were to fill that position? Can the minister tell me who is filling that position?

Mr. Praznik: Madam Chairperson, it just should be noted that when we do have new staff coming in and they are going through training, the manager of the branch and senior staff work with that individual. When they develop, to the comfort level of the manager of that branch, the knowledge to handle matters on their own, then of course they have much more leeway in their work. In the early parts of training, they are supervised to a much greater degree by the manager in that branch.

With respect to the person from the federal government, they came over, I believe, on a secondment to learn about this process and what we do. We managed to pick up this individual on a secondment to us. The individual came from the Unemployment Insurance Commission. It was a means of exchanging information on how things work in different systems, because obviously there is an overlap between Workers Compensation and UIC. An individual who may not be eligible for Workers' Compensation may be eligible for unemployment insurance sick benefits. So there certainly was a benefit to sharing information among our staff about procedures and processes between them.

The name of the individual we will provide privately to the member, if that is fine. It is just that I have some difficulty in naming line staff in a public forum such as this, to protect their privacy somewhat. If that is acceptable to the member, we will identify that person in the list of individuals.

Mr. Reid: Madam Chairperson, I will look forward to that information from the minister. Also, I will be asking some more questions relating to the staff when we get into the concurrence, the functions and the restrictions under which they were hired. So I am just making the minister aware of that when we move to concurrence. Pass.

Madam Chairperson: 1.(b) Executive Support (1) Salaries and Employee Benefits \$260,800—pass; (2) Other Expenditures \$69,700—pass.

2.(a) Management Services (1) Salaries and Employee Benefits \$1,271,600—pass; (2) Other Expenditures \$276,200—pass.

2.(b) Mechanical and Engineering (1) Salaries and Employee Benefits \$1,803,300—pass; (2) Other Expenditures \$426,400—pass.

2.(c) Fire Prevention (1) Salaries and Employee Benefits \$1,927,000—pass; (2) Other Expenditures \$1,354,000—pass.

2.(d) Conciliation, Mediation and Pay Equity Services (1) Salaries and Employee Benefits \$428,200—pass; (2) Other Expenditures \$94,600—pass.

2.(e) Pension Commission (1) Salaries and Employee Benefits \$290,300—pass; (2) Other Expenditures \$79,600—pass.

2.(f) Manitoba Labour Board (1) Salaries and Employee Benefits \$577,600—pass; (2) Other Expenditures \$312,300—pass.

2.(g) Workplace Safety and Health (1) Salaries and Employee Benefits \$2,308,600—pass; (2) Other Expenditures \$740,500—pass.

2.(h) Occupational Health (1) Salaries and Employee Benefits \$205,200—pass; (2) Other Expenditures \$35,500—pass.

* (1700)

Order, please. The hour being 5 p.m., what is the will of the committee?

An Honourable Member: To finish.

Madam Chairperson: To ignore the clock.

Item 2.(j) Mines Inspection (1) Salaries and Employee Benefits \$651,600—pass; (2) Other Expenditures \$178,000—pass.

2.(k) Employment Standards (1) Salaries and Employee Benefits \$1,642,000—pass; (2) Other Expenditures \$272,900—pass.

2.(m) Worker Advisor Office (1) Salaries and Employee Benefits \$545,600—pass; (2) Other Expenditures \$125,200—pass.

2.(n) Labour Adjustment (1) Salaries and Employee Benefits \$330,200—pass; (2) Other Expenditures \$316,800—pass.

Resolution 11.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$16,193,200 for Labour, Labour Programs, for the fiscal year ending the 31st day of March, 1995.

Resolution 11.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$225,000 for Labour, Payment of Wages Fund, for the fiscal year ending the 31st day of March, 1995.

At this time, I would ask that the minister's staff to please leave the Chamber.

Item 1.(a) Minister's Salary \$10,300—pass.

Resolution 11.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$340,800 for Labour, Labour Executive, for the fiscal year ending the 31st day of March, 1995.

This concludes the Estimates for the Department of Labour.

Order, please. The hour being 5 p.m., and time for private members' hour, committee rise.

Call in the Speaker.

Let me rephrase that. The hour being 5 p.m. and time for private members' hour, I am leaving the Chair with the understanding that this committee will reconvene at 8 p.m. in Committee of Supply.

IN SESSION

(Mrs. Louise Dacquay, Deputy Speaker, in the Chair)

Committee Changes

Mr. Doug Martindale (Burrows): Madam Deputy Speaker, I move, seconded by the member for Selkirk (Mr. Dewar), that the composition of the Standing Committee on Law Amendments be amended as follows: the member for Kildonan (Mr. Chomiak) for the member for Swan River (Ms. Wowchuk); the member for Thompson (Mr. Ashton) for the member for Dauphin (Mr. Plohman).

I move, seconded by the member for Selkirk (Mr. Dewar), that the composition of the Standing Committee on Economic Development be amended as follows: the member for Transcona (Mr. Reid) for the member for Swan River (Ms.

Wowchuk); the member for Brandon East (Mr. Leonard Evans) for the member for Flin Flon (Mr. Storie).

Motions agreed to.

Mr. Edward Helwer (Gimli): Madam Deputy Speaker, I move, seconded by the member for Niakwa (Mr. Reimer), that the composition of the Standing Committee on Economic Development be amended as follows: the member for Springfield (Mr. Findlay) for the member for St. Norbert (Mr. Laurendeau).

I move, seconded by the member for Niakwa (Mr. Reimer), that the composition of the Standing Committee on Law Amendments for the Tuesday 9 a.m. sitting be amended as follows: the member for Pembina (Mr. Orchard) for the member for Charleswood (Mr. Ernst); and the member for Fort Garry (Mrs. Vodrey) for the member for Springfield (Mr. Findlay).

Motions agreed to.

House Business

Hon. Donald Orchard (Deputy Government House Leader): Madam Deputy Speaker, I have matters of conduct of business in the House that I would like to bring forward.

Bills 2, 4, 19 and 21, which were previously referred to Law Amendments for 7 p.m., Tuesday, June 28, are now referred to the 9 a.m. meeting of the same committee on the same day. [agreed]

Bills 5, 11 and 14, which were previously referred to Law Amendments committee for Tuesday, June 28 at 9 a.m., are now referred to the Committee on Economic Development for Tuesday, June 28 at 9 a.m. [agreed]

Bill 18, previously referred to Law Amendments committee for Tuesday, June 28 at 7 p.m., is now referred to the Committee on Economic Development for Tuesday, June 28 at 9 a.m. [agreed]

* (1710)

PRIVATE MEMBERS' BUSINESS**PROPOSED RESOLUTIONS****Res. 23—Grow Bonds**

Mr. Edward Helwer (Gimli): Madam Deputy Speaker, I move, seconded by the member for Portage la Prairie (Mr. Pallister),

WHEREAS Rural Development is filled with innovative creative business people; and

WHEREAS it is well known most jobs are created within the small-business sector; and

WHEREAS the Manitoba Grow Bond program has been successful in bringing investment to rural communities totalling \$14.7 million; and

WHEREAS Manitoba Grow Bonds have enabled many rural businesses to either expand or start creating 250 full-time jobs.

THEREFORE BE IT RESOLVED that this House support Rural Development and the Grow Bond program.

Motion presented.

Mr. Helwer: Madam Deputy Speaker, it is a real privilege to be able to—

House Business

Hon. Donald Orchard (Deputy Government House Leader): Madam Deputy Speaker, I wonder if I might have leave of the House that post to 10 p.m. this evening, with the leave of the House, we can commence new departmental Estimates.

Madam Deputy Speaker: Is it agreed that should the department as designated complete before 10 p.m. this evening, new departments can be started after 10 p.m., contrary to our existing rule? Is that agreed?

Mr. Steve Ashton (Opposition House Leader): Just to clarify, there is agreement to start one department if time does arise prior to midnight. That is the exact agreement, that we do agree to allow a department to start after ten o'clock but prior to midnight.

Mr. Orchard: The same order of business, as stated, that we can start another department after ten o'clock and adjourn at midnight.

Madam Deputy Speaker: Agreed.

Mr. Orchard: The second point, Madam Deputy Speaker, with leave of the House that at 8 p.m. we commence consideration of the Estimates of the Civil Service Commission, and with leave of the House not conclude those Estimates and conclude them at a later time, either this evening or before conclusion of the Estimates.

Madam Deputy Speaker: Is there leave of the House to commence Estimates, I assume, in the Chamber in the Committee of Supply? For clarification, the Civil Service Commission is the next department up and has already previously been scheduled for the Chamber. I believe what I am attempting to acquire leave for is that the Estimates for the department of Civil Service Commission be commenced, but not necessarily finished, and that leave be granted to proceed to commence the Estimates for the Department of Urban Affairs? Is that accurate.

Some Honourable Members: Right.

Madam Deputy Speaker: Is there leave? [agreed]

Mr. Helwer: Madam Deputy Speaker, now I can get on with the private members' business and that of the resolution on the rural Grow Bond program. I am really pleased to be able to introduce this resolution because it is a good one and the Grow Bond program is an excellent program and working very well in Manitoba.

It was first brought in by the Department of Rural Development back in the fall of 1991, and it provides for the means for rural Manitoba communities to participate directly in strengthening their own local rural economies. What it does is let local people invest in their own local industries to provide jobs for their own local people. That is the real crux of the whole Grow Bond program, what it should do. They act as a catalyst for local development and diversification, and they bring together local people with some money to invest in the community-based industries. So it is just a great program.

Just a little background on the program of how it initially started. The Grow Bonds placed the

economic management and control directly in the hands of the community. The community can start their own Grow Bonds committee in order to build to invest in a particular industry, and they are designed to allow communities to define and pursue their own economic goals and objectives. Communities plan and manage their own Grow Bonds offerings to raise capital which is used to finance eligible new business opportunities and expansions.

These activities are managed through our Rural Development Bond corporation formed in each community. So they have worked very well. To date, we have 13 projects that have been approved in Manitoba. Communities that are involved in this are Morden, Winkler—Winkler actually has three projects—Teulon, Morris, Rivers, Selkirk, Portage la Prairie, Southport, Arborg and Angusville. There is also a project in Russell that is still awaiting environmental approval. So the total job creation for the 13 projects are about 403 for a total Grow Bonds amount of \$5,889,000, with a total overall investment of over \$18 million. Currently there are eight further projects that are under review. So it has just been a great program that has worked very well.

I just want to talk to you a little bit about a couple of specific corporations. One that is in my constituency, in my community, is the Care Corporation whereby they received approval in May of 1992, which is one of the first ones in force, for an \$800,000 Grow Bonds investment. This sale was very successful, and funds were invested in that particular company.

It took a little while for the company to order the equipment and get everything going, but now they do have their equipment and they have been operating now for about a year or more, and it is doing very well. It has taken a little while for them to get their market established, but they are paying the interest to these people who do have the Grow Bonds investments, and it is working very well. They pay the interest to the people who do have the bonds quarterly, and they have been meeting their commitment. So it is working quite well.

Just recently I had the privilege of being in Arborg, Manitoba, where—

An Honourable Member: Yes, a fine community.

Mr. Helwer: Yes, actually Arborg is a very progressive community. You are right, Brian Pallister, it is a great community.

Arborg had a creamery there that was abandoned by its owner a number of years ago, and it was just a good building, just a new building actually. It was set up for a cheese plant but it just never got to be because the former owners had—there was a union organized so the owners did not get established. The project was abandoned at that time. It sat vacant for many, many years, and Gilbert International came along and was looking for a place to manufacture some fast-food products. One of them is actually quiche.

* (1720)

An Honourable Member: Quiche. Real men eat quiche.

Mr. Helwer: Well, I do not know about that, but Gilbert International actually has been doing business in Manitoba for a number of years, but they were having their product made in Ontario actually and they were operating in Winnipeg here just as a warehouse and a sales organization, and they took over the Arborg creamery and they are going to manufacture this.

I believe they are going to start with about 30 employees and they are going to manufacture this product, this quiche to start with, plus they will be manufacturing other products, fast-food products mainly, that will sell to different areas of Manitoba and to Canada.

Actually they are going to create 60 jobs, I am sorry, not the 30 jobs, 60 jobs within three years they tell us. That is a good investment, and they are going to have a Grow Bonds issue of \$770,000.

We also helped this company, through the REDI program actually, with a \$35,000 loan to Gilbert International also.

What they are going to do with this \$770,000 is buy new equipment and relocate their equipment in Arborg and the creamery there so that they can

manufacture this product locally for Manitoba and also for export use.

So this is just a great project that fit in very well with this particular industry, and it is doing very well in Arborg. They have the equipment now, and they will be in operation very soon.

I was there for the announcement with the honourable Len Derkach, the Minister of Rural Development, when we announced this. Also, some people from the Ministry of Industry, Trade and Tourism were also there.

Another good project that was announced last fall, in Selkirk actually, was the—

An Honourable Member: Sterling Press.

Mr. Helwer: Sterling Press, that is right. That is owned by the Hicksons, Jim and Debbie Hickson [phonetic], and also I think Walter Peters [phonetic] is maybe—yes, there you go. The member for Selkirk (Mr. Dewar) has the material on that one.

I honestly want to say that one is doing very well. It was a \$430,000 expansion and Grow Bonds involvement of a total of \$170,000. This company has been very successful, I understand, and is doing very well. It is exceeding its initial estimate of—I forget how many jobs they were going to have there. [interjection] How many jobs there? [interjection] Okay, we will let the member for Selkirk talk about that one, because that is a good one too, and we were really pleased. I was involved with that one, and we were really pleased with that one also.

An Honourable Member: Good news feeding on good news.

Mr. Helwer: Well, that is right. That is part of why it is such a good program. It lets people invest in their own community. So it is working very well.

Also, while we are on the topic of economic development and talking about the good things happening, especially with the Grow Bond program, just recently there was a news release saying that Manitoba exports show solid growth, and our exports to the United States grew by some

18.5 percent last year, which is the highest annual increase since 1988.

An Honourable Member: No kidding.

Mr. Helwer: Yes, it is a fact. So the total of export dollars from Manitoba is a total of \$2.5 billion. That is a lot of production and a lot of jobs that we get out of the export market.

An Honourable Member: How much?

Mr. Helwer: It was \$2.5 billion we exported in goods to the—this is mainly to the United States. This was a growth of 18.5 percent over the year previous. [interjection] That is right. This is Free Trade. This is what Free Trade and our NAFTA agreements are doing for Canada, really. They are helping.

Since 1990 actually, our exports to the United States are up by over 40 percent. Our market to the United States is one of our fastest growing markets. We still do export a fair amount to other countries, to other parts of the world and that also grew to more than \$3.5 billion actually in 1993, which is an increase of about 3.3 percent over the year prior, so I think that is good news also.

This was also the gain in exports to other parts of the world in spite of a 35 percent decline in grain exports due to poor growing weather and poor growing conditions, and so the nongrain exports to the world grew by more than 14 percent. This is really, really good news.

Our Manitoba companies are continuing to expand and grow at a pace that is certainly setting the standard for other provinces. The reason for this is because of the good economic climate created by this government really.

Someone did mention the federal government here. I have something that I am really, really concerned with and that is in today's local paper whereby the paper talks about the Community Futures program. They say, is there a future for Community Futures?

This bothers me because in the Interlake we have two Community Futures programs: the NEICOM program, which is headquartered in Riverton, and also the Super 6 program, which is on the west side of the Interlake, but actually these

Community Futures programs do provide a useful service to many of our businesses.

This was started by the former federal government. This was how the former federal government used unemployment insurance money actually to help create jobs in Manitoba. It was a good program really and it helped many businesses start and train people, employees and it did a good job, but now I am afraid we might lose this program or these programs. This federal government is planning to phase out the Community Futures programs. This would certainly hurt us in the Interlake with our two Community Futures programs that we do have.

I know some of the businesses that have taken advantage of the assistance offered by this program, and it has been just great. One of the people that work for them, Greg Dandewich, who manages the NEICOM, actually out of Riverton, just does a great job. Not only do they borrow money and loan funds to some of the business people who are starting up, but they also give them good financial advice and good business advice so they really have a role to play and they have done a great job.

Actually they have worked in conjunction with Interlake Co-op Corporations, our Rural Development corporations, the federal Community Futures program, worked in conjunction with these and helped many businesses up in rural Manitoba. So I certainly hope that the federal government comes to their senses. Hopefully they will continue to fund these programs, and hopefully the Community Futures program will maybe continue because it was designed to direct our unemployment insurance funds to this to help with training and to provide jobs for some of the people who are on unemployment insurance.

* (1730)

With that, Madam Deputy Speaker, I think I will end my remarks here and let other people speak on this, but I just want to emphasize again how great the Grow Bond program is in Manitoba, how successful it has been and I am sure it will continue

to be so that rural Manitoba can grow and continue to employ people and grow stronger.

Thank you, Madam Deputy Speaker.

Mr. Gregory Dewar (Selkirk): Madam Deputy Speaker, I welcome the opportunity to participate in the debate this afternoon on the resolution brought forward by the member for Gimli (Mr. Helwer), and I just want to add some more comments. He overlooked a few things. I thought it was important that we put all the facts on the record this afternoon.

One, of course, was the dismal record of this government in terms of job creation and other economic indicators. Last year, I believe, we were tied with Newfoundland in terms of economic growth in this province, in this country, and they, of course, they have the excuse of having the dismal situation with the fisheries in that particular province. So we do welcome the Grow Bonds concept. We do welcome positive news in terms of creating employment in our province.

It is important to remember that the Grow Bonds were set up after the government introduced video lottery terminals into the province, and at the time, they said that all the money that would be generated by the video lottery terminals, all of that money, would go back into rural Manitoba for economic development initiatives, but instead, there was only a small percentage of the millions and millions of dollars that were generated by VLTs that actually went back into rural Manitoba.

In my particular community, there are around 100 or so VLTs in the Selkirk constituency, and on average, each machine generates in revenues to the province of \$2,000. So that would be around \$2 million per year that leaves the Selkirk constituency for the Treasury of this province and—[interjection] I want to thank the members opposite for correcting me. You are right. It is actually \$20,000 in revenue per machine. Again, the \$2-million figure was accurate. That is the number of dollars that is leaving the Selkirk constituency every year, coming into the coffers of the province, and very little of that money actually goes back into the community of Selkirk.

The member for Gimli (Mr. Helwer) referenced a Grow Bonds issue that helped a company, the Sterling Press Inc., and the Grow Bond, the issue, the approval of the bond, the sale of the bond and the success of that company we do approve of. It is anticipated that the company will create an additional 18 jobs in the Selkirk community, and I want to commend all those in the Selkirk community who worked on setting up the Grow Bonds, the corporation, and all those individuals in Selkirk who went out and purchased the bonds. It is my understanding that the bonds were purchased in a matter of days.

There is, unfortunately, some criticism as well in terms of the Grow Bonds. Selkirk also applied for a Grow Bond in 1992 where they were planning on developing the downtown area, the dock area, and there was hopes to put a multimillion-dollar hotel-convention centre complex on the dock. The problem was that there was a similar one or basically an identical project brought forward in the community of Steinbach, but the one in Steinbach received Grow Bonds approval, while the one in Selkirk did not. So it is pretty obvious there was some political interference in that particular situation.

When you consider that in 1987-88, I believe it was, when there was an initiative brought forward by the previous government under the NDP government to redevelop the downtown area of Selkirk, there was money committed by the Premier, there was money committed by the federal government. What happened there was, unfortunately, a change of government, Madam Deputy Speaker, at that time, and the new government did not honour the commitments made by the former one. So, unfortunately, our downtown area did not have the opportunity to be developed.

Then, I think it was mentioned, there was a project brought forward by the community to get the Grow Bonds to bring forward to develop the downtown area of Selkirk, the dock area—at the time it was called the Robinson harbour development—but unfortunately that project did not go through.

The criticism not only comes from this side, it also comes from other Manitobans, the Chamber of Commerce, for example, Jack Wilson, who is the president of the Manitoba Chamber of Commerce. In an article in the Portage la Prairie Daily Graphic from May of last year, he said, people are very frustrated. They get the local corporation up and running and the money collected, and they cannot get a decision out of the government.

That was quoted by an individual, Jack Wilson, President, the Manitoba Chamber of Commerce, Madam Deputy Speaker, so it is not only the issues and criticism that we are raising, objective criticism, I might add, from our side, but it is also the Chambers of Commerce in this province that are raising concerns.

Another story around that particular issue, entitled, Bureaucratic bungling blamed for slow growth of Grow Bonds—again, Mr. Wilson goes on to say, there is too much bureaucracy and too much cautiousness on the part of the government, where again the corporations are set up, and unfortunately the government is a little too cautious in getting some of these plans forward.

There was one again for Selkirk, the Sunnex program. Unfortunately, that did not work out. There are a few, of course, in Selkirk, besides the one I mentioned, besides the Sterling Press and the Robinson harbour development. There is the one that is hoping to obtain the funding, and that is the Jentan Resources. They are interested in obtaining funding from the Grow Bond program to set up another business in the Selkirk community to supply energy to some of the government offices there in Selkirk. Right now, of course, they are going through the process of getting an environmental licence.

One of the more famous examples of a company in recent times that is interested in obtaining or needing Grow Bonds money, of course, is the SHI, the Saskatoon Heavy Industries Company. They recently changed their name to Tayco Industries Limited [phonetic]. Members will remember last May 10, when the Liberal Leader stood up in this House and he attacked the 594 jobs coming to

Selkirk. He attacked the integrity of the owner of this company, and he attacked, as well, the credibility of the members of the Selkirk community who worked for years, literally years, to get this project to come to the Selkirk community.

He stands up in the House one day. He says, who is SHI, and why are you giving this money—an indication of incredibly poor research on behalf of the Liberal Party. But instead of admitting that he made a mistake, a huge, huge blunder, nevertheless, what did he do? He put his other foot in his mouth.

I had a chance to speak with Mr. Blue Taylor from Tayco [phonetic], and he is deeply concerned about the comments put forward by the Liberal Party and the claims and complete falsehoods put on the record by the Leader of the Liberal Party.

It is kind of funny because the editor of the paper—we were discussing this issue—said, well, Mr. Edwards phoned me to ask me about SHI so he could then tell me about SHI. This is the level of research done by the Leader of the Liberal Party.

He also claimed that Mr. Taylor was in, I think it was, Arizona while in fact Mr. Taylor was recuperating from an illness in the hospital at the time.

We in Selkirk are used to being ignored by the Liberals. They never raised a question in the House, and their former Leader never really understood the community, never really raised any issues. We were used to that, and actually, considering the recent events, we wish they would have simply forgot about Selkirk because they did more harm than they did good trying to raise the Selkirk issue.

* (1740)

But instead, as I mentioned, he stood up and asked about the integrity of this individual and without even knowing anything about it. One day he knew nothing, and the next day he was condemning it, Madam Deputy Speaker. It is not only criticism raised by myself. He not only attacked the integrity of myself for working along with Mr. Taylor to bring the jobs to Selkirk, he also

insults the mayor of Selkirk and the town council, who supported this particular company, supplied me with a letter from the mayor, again, supporting the project, again—Liberals, they should have asked. You would think that they would have at least asked the mayor.

An Honourable Member: Did they?

Mr. Dewar: No, they did not ask anyone. Their total research, they simply—they made one phone call, apparently, to somebody in Saskatchewan, and that was it, and a few newspaper clippings. That was the extent of their thorough research on this whole issue. But no, no, that is not good for the River Heights lawyer. That is not good enough for the River Heights lawyer. He knows what is good for Selkirk. The people in Selkirk do not know. The chamber of commerce, they do not know. The mayor and the town council, they do not know what is good for Selkirk. Triple S Business Development Corporation, which worked on this for years, they do not know what is good for Selkirk. The Liberal Leader knows what is good for Selkirk. That is why he stood up in this House. He attacked this corporation, and he attacked the whole community of Selkirk.

It was shameful. Triple S—one of the town councillors, he calls Mr. Edwards' comments irresponsible. In fact, he expressed—I want to read a quote from the Selkirk paper. This fellow's name is Councillor Dick Willows. He expressed even deeper indignation, saying Edwards' statement in the Legislature does not even have a touch of intelligence to it. Then after he has talked to Mr. Edwards, this was his comment. After Mr. Edwards phoned him to clarify up his comments, Mr. Willows goes on to quote: I think, for a man in his position to get up in the Legislature and do what he did with incomplete information at a very delicate time in negotiations, he acted irresponsibly. It does not indicate to me a very high degree of business acumen and maturity.

In fact, he is deeply concerned. Councillor Willows is deeply concerned that the antics of the Liberal Leader will seriously jeopardize the project, seriously jeopardize the project. What do we have? We have the Liberal critic—and their

candidate out in Selkirk has not renounced, they have not put forward their position in terms of this, Madam Deputy Speaker, and here we have got—[interjection] The Liberal candidate must support Paul Edwards because he is silent on the issue. We have not heard one word from him either way except his admission of complete and utter ignorance of the issue of SHI. That is the only thing he has said so far.

So anyway, Madam Deputy Speaker, we are really deeply concerned about what the Liberal Leader has done to our community with the comments that he has made in the Chamber. Instead, again trying to admit that he made this huge blunder, to say that he put these embarrassing comments on the record, that he made an utter fool of himself, he simply continues on, and I believe the next day he wrote a letter to the editor attacking the editor's credibility, the same editor who the week before gave him some information on SHI. So at least he tried to inform the Liberal Leader about the issue.

Madam Deputy Speaker, I could go on and on and on about the Liberals' position on economic development, their attack on our community, but unfortunately I noticed that my time is expired, so I will allow someone else to continue with the conversation.

Mr. Kevin Lamoureux (Inkster): Madam Deputy Speaker, it is a pleasure for me to stand and to talk on this particular resolution. I think it has been acknowledged that the Grow Bond program has been an initiative that has received support from all political parties inside this Chamber, and it is a positive and a creative idea, and we look to see the continual support from the local communities in terms of actually doing the investment. That is probably the most important thing because I think that if you provide the opportunity or the vehicle for rural Manitobans to be able to invest their money and to get the local economies going, that they will, in fact, take advantage of that and do just that and create jobs and so forth.

I took some exception, or I should not say some, almost entire exception to everything that the

member for Selkirk (Mr. Dewar) was saying with the exception of the lotteries portion, Madam Deputy Speaker. Speaking strictly with SHI, you can tell the member for Selkirk has bought everything that Mr. Taylor and his organization has sold to the member for Selkirk.

I hope that the member for Selkirk is not trying to build up expectations within his own community, not knowing in terms of what the facts are on this particular individual and some of the things that he has done. There have been very valid concerns that have been raised about SHI, and it would be irresponsible of an opposition party not to call into account some of the actions that this particular individual has had in other jurisdictions.

I would caution the member for Selkirk (Mr. Dewar) in terms of what it is that he might want to put on the record now, because if the past record of this particular individual comes to the province of Manitoba and does not materialize, like he has apparently indicated to the member for Selkirk, who is 100 percent behind Mr. Taylor, well, I believe that a great number of people, residents of Selkirk, would be vastly disappointed in the member for Selkirk.

The member for Selkirk does have a responsibility in terms of promoting and encouraging, to get people involved in the community, like all of us inside our own respective constituencies. It is also important that we do not lead our constituents along a line of path that might not necessarily come true to the same degree that the member for Selkirk has pointed out.

Madam Deputy Speaker, having made mention to the Grow Bond program, I think it is also important to comment in terms of what the government has done in rural Manitoba has not been all that positive. I recall when I was the Lotteries critic, for example, that we had a government that introduced the VLTs into rural Manitoba and made a decision that all of that monies raised from VLTs would be going back into rural Manitoba. Because the \$1 million or \$2 million that no doubt they were anticipating was going to be raised far exceeded the \$1 million or \$2 million, what happened is the government

backtracked and decided that only a percentage of those VLT dollars would in fact be going back into rural Manitoba.

Madam Deputy Speaker, that has always been a concern that the Liberal caucus has expressed through the past couple of years since its inception. On the one hand, we have a government that has gone out into the communities and is withdrawing a great sum of dollars out of the communities and has established, through the REDI program, a program that will see 25 percent of the dollars and an additional 10 percent of those same funds will go back through unconditional grants to the municipal governments, but total, you are looking at 35 percent. You are still talking 65 percent of the dollars that are coming out of rural Manitoba that are not being returned. We had expressed at the time that was not the best way to go about in terms of ensuring rural economic development. So although this particular program is a step in the right direction, there have been more significant events that have cost rural Manitoba and the rural economy that much more.

With those few words, Madam Deputy Speaker, we shall conclude.

Mr. Brian Pallister (Portage la Prairie): Madam Deputy Speaker, I am pleased to rise and put a few comments on the record on the resolution of the member for Gimli (Mr. Helwer) regarding Grow Bonds.

It is nice to be a part of, what I think, in comparison to many private members' resolutions, kind of a love-in today. There seems to be uniform support for the Grow Bond program, and great evidence of that appears when members of course deviate to other topics at the side of the issue. The reality is that the Grow Bond program is a good initiative and is a positive initiative for rural Manitoba. It is one that allows for the people of Manitoba to put their money where their faith is, and if their faith is in their home community, and I believe there is strong evidence it is in my community and many others in rural Manitoba, then people will choose to buy the Grow Bonds that are offered for sale.

* (1750)

I want to share just an experience I had during the by-election campaign when I was going door to door with members because I think it is revealing to me of the true reason for this program. This is my first experience with going door to door so it was quite an experience for me. As I was going down one of the streets in my home town, I happened to make my way to the door of this small but well-looked-after little property, and a lady very hesitatingly came to the door, in her 80s I would guess, and we got to talking. I explained why I was there, and that put her a little bit at ease. She explained some of her background to me. As it turned out, she was a widow and lived alone. When I asked her a little bit about her family, she explained that she had just been widowed for a few months, but she did have three boys. I asked her their names and if they lived in Portage, and she conveyed to me that they did not live in Portage. In fact, none of them lived in Manitoba. None of them made their homes in Manitoba.

She had tear-filled eyes at that point, and I think the irony of this is that what we all want to see—all of us in this Chamber—is a situation exist, not just in rural Manitoba, but certainly in Manitoba as a province, where family members can make their homes in the communities of other family members, and that we can, wherever possible, at least give that opportunity a chance to flourish.

For that senior, it would be quite a different life in her later years if she had even one of her boys living in the community of Portage la Prairie. Close by to give her support, it would be beneficial to her, and certainly to all of us, but the situation was not allowed to exist and that is unfortunate.

It is true it is characteristic of many, many of rural Manitoba's communities that family members must leave to find economic sufficiency. What this program does for those seniors is it gives them the hope that other families will not have to go separate ways. It gives them the hope that jobs can be created in those communities where these people have chosen to live, to work, to make their homes, to raise their families and where young people can come up with the opportunity at least to

stay in their homes and close proximity to other family members.

That incident impressed me with the urgency of working very diligently towards economic betterment in rural Manitoba. It impressed me when I came to work with this government, as part of it, in the sincerity of those people who work with the Grow Bond program, not just in terms of the people in the Rural Development department certainly, but those people who are on the various boards that work to examine the proposals. The people in the communities where the Grow Bonds are offered, of course, they have to form boards of directors and supervise the creation of these projects and then the marketing of the Grow Bonds in those communities.

I want to congratulate, on the record, those people in the communities who have taken on the task of serving on these boards. It is not a well-paying position by any stretch, but certainly it gives satisfaction and reward to those people because it rewards them in knowing that they are working towards a better community.

I think the real principle behind the Grow Bond program is one that says let us quit exporting jobs out of our community if we have the opportunity to invest in something which is guaranteed and which can create employment in Portage la Prairie. I know the people of Portage la Prairie have amply demonstrated, because of the success of the recent Grow Bonds offering in our community, that they are willing to put their money into those programs and projects that will create jobs in our community.

Despite that, I must take exception to some of the comments made by members opposite in terms of the problems around the program. Due diligence is awfully important. We are talking about guaranteeing investment here, and guaranteeing investment, well, who guarantees it? The taxpayers of this province are guaranteeing it. We, on their behalf, are supervising and overseeing the examination of these projects and proposals.

Now, in our neighbouring province to the west, that was not done to the same degree, and millions of dollars of taxpayer revenue were lost in

foolhardy projects. We do not want to see that duplicated in this province, no one does. So we have to have some common sense around this. The guiding principle has to be that these projects have to have real feasibility. They cannot be pipe dreams. Certainly, the Rural Development department in its process of reviewing these, and the boards at the local level have to always bear in mind that these projects are not handouts and should not be reflected or treated as such, but they are projects that have to have some real likelihood of achieving job creation in those areas.

So there is zero credibility when members opposite talk about the problems around the process, especially when the member for Selkirk (Mr. Dewar) talks about it, because certainly there was no problem whatsoever with the process, with the Grow Bond program when the NDP was in power because there was no program. You know, it is easy to sit behind the glass at a curling rink and criticize the skip for calling the wrong shot, but if you have not got the guts to get out on the ice, then really I do not think your criticism has much merit. I really do not think it has any merit. Of course, this is all too typical of the members from that particular political allegiance.

The actual projects in number—in terms of number, there have been a great many projects that have been approved thus far, and the process is one that has allowed those projects, despite the growing pains associated with evaluating them, to go forward. The projects in various communities have sold out, some in very short order. I understand one in Winkler sold out actually in a day. That is tremendous. It speaks very well for the degree of commitment that is out there in the small communities and mid-sized communities of our province.

Total investment is over \$18 million already in the Grow Bond program, and that translates into hundreds of jobs in rural Manitoba. Of course, my bias, being from rural Manitoba, I guess, is that I would like to see more jobs in rural Manitoba, and I certainly think that such initiatives as the decentralization initiative this government

undertook, over strong opposition from both parties opposite, were positive things.

The members opposite are all too often revealing of a kind of urbanist attitude, particularly members of the Liberal Party, an attitude that reveals a real flaw in common sense, I think, and awareness of what is out there in Manitoba.

You know, all that a member of the Liberal Party need do is just drive out of Winnipeg any Sunday night, pick any Sunday night and drive out of Winnipeg in any direction and what you are going to encounter is a steady, steady line of headlights coming at you, steady line. You will be relatively alone as you leave the city on a Sunday evening, but you will run into a steady line of headlights coming into the city of Winnipeg.

You honestly believe that all those vehicles are filled with people who just love the thought of coming back into Winnipeg on a Sunday night and leaving rural Manitoba, you are living in a dream world, because they are not. They are loaded with people, many of them, who have to come to Winnipeg to work, but they would prefer to live in the community of their birth. They would prefer to live in Thompson, they would prefer to live in Selkirk, they would prefer to live in Portage la Prairie or Waskada or Virden or Souris if they could get a job there. They would prefer to live there because the quality of life in rural Manitoba and in northern Manitoba is second to none, and it offers tremendous opportunities for the people who can live and work in those communities.

This program is an intelligent program. It is a program that offers a great deal of hope to the people of rural Manitoba without being a handout that it seems the member for Inkster (Mr. Lamoureux) is requesting that we do. He must understand that the money that goes into the Grow Bond program is not reflective of handouts. Rural Manitobans do not want handouts. They want a hand up, but they do not want a handout.

The Liberal mentality is that bigger government is better government, but that is being shown repeatedly to be wrong and certainly in the minds of most people of this province, it is wrong.

What the member for Inkster fails to understand is that the money that is coming in from VLTs and from other gambling operations, and has been coming in for some time to government coffers, is money that is being dedicated chiefly and firstly to reducing the deficit. The deficit is nothing other than a deferred tax, so when you reduce a tax you increase the likelihood of jobs.

Now a Liberal government stands for larger tax increases and therefore reduced employment opportunities and unfortunately—

Madam Deputy Speaker: Order please. When this matter is again before the House, the honourable member for Portage la Prairie (Mr. Pallister) will have four minutes and 54 seconds.

The hour being 6 p.m., I am leaving the Chair with the understanding that the House will resume in Committee of Supply at 8 p.m. this evening.

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 27, 1994

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