

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 17 July, 1986.

Time — 2:00 p.m.

OPENING PRAYER by Madam Speaker.

MADAM SPEAKER, Hon. M. Phillips: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Thank you, Madam Speaker. I rise to table the Annual Report of the Consumer and Corporate Affairs Department for the year encompassing 1984-85.

MADAM SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

HON. L. DESJARDINS introduced, by leave, on behalf of the Honourable Attorney-General, Bill No. 44, The Judgment Interest and Discount Act; Loi sur les taux d'intérêt et d'actualisation des sommes allouées par jugement. (Recommended by Her Honour the Lieutenant-Governor).

ORAL QUESTIONS

MTX - projected losses

MADAM SPEAKER: The Honourable Member for Pembina.

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

In today's committee hearing, we had figures given to us for the year ending March 31, 1986, for MTX Telecom Incorporated. In view of the fact that they are projecting a loss, that accounts receivable are up \$3.1 million to \$10.9 million, at the same time that sales have decreased \$500,000 to \$8.3 million and the total exposure of MTX is now at \$16.4 million, will the Minister responsible for the Manitoba Telephone System ask for an independent audit by the Provincial Auditor to assure Manitobans that their telephone bills will not be used to subsidize losses incurred in Saudi Arabia providing telephonic business opportunities to Saudi Arabian sheiks?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, I would like to indicate that the operations of the MTX were conceived

and began initiation under a previous administration. Final incorporation took place under an NDP administration, but the whole principle of telephone companies across North America investing, or at least allowing their expertise to be sold internationally, is a very common one. Every major Telecom in North America is doing this and in the case of the Manitoba Telephone System, the facts that I put on record this morning before the committee indicates approximately \$2 million net net revenue flowed to the Manitoba Telephone System during the period 1979 to 1985.

In addition to that, Madam Speaker, total salaries and benefits were paid to workers, millions of dollars which were returned to Manitoba, spent in Manitoba, on which taxes were paid in Manitoba, the total gains for the people of Manitoba for the investments that the Manitoba Telephone System has made in Saudi Arabia are very, very significant. For the honourable member to be suggesting that somehow the investments that we have made, as a corporation in the Middle East, are taking away revenues from Manitoba are absolutely false. It's the reverse that's true.

Madam Speaker, I am as convinced as I am of anything that the honourable member wants to stage a scare about the investments we are making, but despite the facts we put on the record, that indicates that those ventures pay big dividends for the shareholder, the people of Manitoba.

MR. D. ORCHARD: Madam Speaker, I have a question for the Minister for the Manitoba Telephone System. If the alleged facts the Minister has just put on the record are true, why then is he afraid to have the Provincial Auditor, in an independent fashion, examine those year-end reports and explain to the people of Manitoba why accounts receivable are growing at an alarming rate, and why his MTX staff could not explain the reasons for those accounts receivable increasing with no aging schedule, with no indication of collectibility, Madam Speaker?

MADAM SPEAKER: I do hope that the honourable member is not impugning the accuracy of information given to the House by a Minister.

MR. D. ORCHARD: Madam Speaker, I am indicating that the Minister, in his answer, mixed apples and oranges. MTX is a net loser to the people of Manitoba and he cannot hide that fact, and if that fact is not true, Madam Speaker . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. D. ORCHARD: . . . why is he afraid to have the Provincial Auditor conduct an independent audit of the MTX business affairs? What is he afraid of?

HON. A. MACKLING: Madam Speaker, if the honourable member would like us to call in the Auditor

whenever he would like to stage the scene that there is a problem . . .

MR. D. ORCHARD: You have nothing to worry about . . .

HON. A. MACKLING: Madam Speaker, there is no problem when you have a corporation that during the four, five-year period of its operations has resulted in millions of dollars of money being paid to employees that otherwise would not be working in Manitoba, that money flowing back as wages in Manitoba; but in addition to that, Madam Speaker, \$8.8 million of goods being purchased from Manitoba to service the contracts of MTX in Saudi Arabia. Those are multimillion dollar benefits. The honourable member can use all the scare tactics that he wishes. He thinks he has the stage in which he can do some vocal dancing and scare the people of Manitoba that we should not, like other telephone companies, whether it be SaskTel, Alberta Tel, B.C. Tel, allow our expertise to be sold at net benefits to the people of Manitoba. He is so blinded with his narrow philosophy about the role of a public enterprise that he would emasculate and prevent public enterprise from being a successful entrepreneur for the shareholders, the people of Manitoba.

MR. D. ORCHARD: Madam Speaker, my question is to the Premier.

The report of the Provincial Auditor, March 31, 1985, has indicated in its review of MTX Telecom Services Incorporated: "Our review disclosed that several aspects of the management information system were not operating at a satisfactory level. In particular, we are concerned that the areas of planning, budgeting and financial reporting to the board have not yet received sufficient attention."

In view of the fact, Madam Speaker, that in today's review of MTX Annual Reports, information that was requested on Tuesday was not made available, was not reported to the committee, would the First Minister take it upon himself on behalf of the ratepayers of Manitoba, an order, an independent audit into the affairs of MTX to assure that Manitoba ratepayers and Manitoba taxpayers are protected from the hemorrhage of funds to Saudi Arabia?

HON. H. PAWLEY: Madam Speaker, this is, in essence, the question that was posed to the Minister responsible for the Telephone System. I concur with the response given by the Minister for the Telephone System.

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker. My question is for the Premier.

Given that our credit rating as a province has been placed on credit watch by Standard and Poor's, and that MTS is investing a further \$8.5 million in the MTX Corporation this year in Saudi Arabia, and that we were told this morning at committee that this company, MTX, has accounts receivable of \$10.9 million and annual sales of only \$8.3 million, has the Premier been fully informed about this particular investment; and is he

satisfied that this investment is in the best interests of the people of Manitoba?

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, as the Minister responsible for the Telephone System has indicated, taking the full space of the time which MTX has operated on behalf of the Manitoba Government, MTS, along with other telephone systems across the country, insofar as the Saudi Arabia operations are concerned, it has on the whole been a successful operation.

MR. G. FILMON: Madam Speaker, having reviewed the concerns that have been placed on the table with respect to the viability of this corporation and the information that was given in committee, and indeed some of the comments of the Provincial Auditor about the corporation, has the Premier concluded that this is the most appropriate use of the scarce dollars that his government has at its disposal, to put a further \$8.5 million in loan capital in MTX for business that is primarily being conducted in Saudi Arabia?

HON. H. PAWLEY: Madam Speaker, with the telephone system, not only in Manitoba but in other parts of Canada, enjoying less revenues because of changes in the overall communications system, there's need for our telephone systems, including the Manitoba Telephone System, to undertake investments to offset indeed what is a loss in revenues as a result of satellite developments and other communication developments in order to ensure that we maintain, in the Province of Manitoba, the lowest rates, according to all reports that I've received, of any jurisdiction in North America.

MR. G. FILMON: Madam Speaker, that may have been the original intent of the corporation, but this corporation is now losing money and its business prospects are severely damaged by the dropping world price of oil, which affects the revenues and the available resources of Saudi Arabia.

Has the Premier looked at this in the recent past to see whether or not this is still the most appropriate use of taxpayers' dollars, when we have scarce loan capital and a credit watch on our credit rating?

HON. H. PAWLEY: Madam Speaker, the Minister responsible for the Telephone System advises me that the Leader of the Opposition is providing the House with incorrect information, and asking me questions relating to material that is incorrect.

I would ask the Minister to correct the Leader of the Opposition . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

The Honourable Minister responsible for MTS.

HON. A. MACKLING: Thank you, Madam Speaker. I know it's difficult for the aspiring leader, the Member for Pembina, to restrain himself, but I would like to correct the record for the Leader of the Opposition. The investment that MTX is making of \$8.5, \$2 million of that is additional investment in MTX operations in

Saudi Arabia; \$6 million dollars of that 8.5 million is North American and Far East. There are exceptionally strong markets for telecommunications, telephone expertise in various parts of the world, and those include New Zealand where we have some people at the present time. Honourable members seem to think that we shouldn't be trading in our — (Interjection) — expertise

MADAM SPEAKER: Order please. All members are aware of the formula for question period, in that one member asks a question and the other member answers, which means that we do not get into a discussion across the floor from our seats.

The Honourable Minister responsible for MTS, briefly.

HON. A. MACKLING: Thank you, Madam Speaker, for restoring order so that the honourable members can receive the answer.

We are, like other telephone companies, investing the use of highly-skilled technical people from Manitoba to the profit of the people of Manitoba, returning tax dollars and benefits here and helping other parts of the world in the process.

MR. G. FILMON: Madam Speaker, we have been told in the past that the business prospects for MTX were excellent, just as we're being told today. My question for the Premier is, given that last year MTX lost \$370,000, this year it is projected again to lose money. Is he satisfied that we are still wisely investing — he can check with the Minister responsible for the Telephone System on those facts if he's unaware — is he satisfied that this is still a wise investment of our scarce resources in this sort of corporation that is exporting our expertise, presumably.

HON. H. PAWLEY: Madam Speaker, the total returns to the Manitoba Telephone System through MTX is in fact a positive one. They lost this year, I'm advised by the . . .

MADAM SPEAKER: Order please, order please. The Honourable the First Minister.

HON. H. PAWLEY: Thank you, Madam Speaker.

The loss projected is \$90,000 in respect to this year, as against the positive return over the entire period of the operations of the MTX.

Child abuse

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Madam Speaker. I have a question for the Minister of Community Services.

With regard to the 1985 Annual Report of the Children's Hospital Child Protection Centre, Madam Speaker, on which on Page 13 they state in part: "The reabuse of children is always of great concern; to have children with six and seven episodes of documented abuse (see Table 3, Page 10) is a travesty and a dreadful commentary on our community system and our society." And my question to the Minister is: Has she had an

opportunity to review this report and investigate these statistics?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, this is one of the facts that we have asked the Review Committee to look at specifically. I think that those repeat stats are the most disturbing in the entire report and I certainly undertake to ask specific questions now, but also to ensure that the Review Committee, not only reviews the stats, but comes up with any recommendations possible to improve the management of these cases.

MR. G. MERCIER: Madam Speaker, in view of the Table 3 which indicates that it is grave concern that 72 children now have definite abusive episodes documented for the second time; 22 for the third; 7 for the fourth and 1 each for the sixth and seventh times, and in view of the fact that the Minister during Estimates was only able to tell us of 55 cases of situations in which children had been abused for a second time and had no information with respect to children abused more than two occasions, has she had an opportunity to examine these statistics in the light of her questions given to her by her department during the Estimates?

HON. M. SMITH: Madam Speaker, there has been different figures that come through the two departments, partly because they set different criteria for collection. But I agree that discrepancy is disturbing to me and I certainly want an explanation and a coordination.

MR. G. MERCIER: I appreciate that this whole area is under review and I believe, Madam Speaker, by two competent individuals. I congratulate the government for the people who have been appointed to handle this review.

But, in view of these statistics, would she ask her Acting Director of Child Welfare to consult immediately with the Child Protection Centre in order to assure people in Manitoba that these 72 children who have been abused for a second time already — which is one of the main concerns we've expressed on this side of the House — will not join the ranks of the numbers of children who have been abused for the third, fourth, fifth, sixth and seventh time?

HON. M. SMITH: Madam Speaker, the whole area of child abuse and the handling of it is a concern we all have. We inherited a situation where the Child Protection Centre had received no funding. Directly, it should be funded under Health Sciences Centre Hospital. They did not fund.

We have been funding and working to build a system-wide, early detection, prevention and treatment system, Madam Speaker. The fact that all the systems are not thoroughly meshed and whatever, I don't feel apologetic about. I think what we've been working at is the achievement of an integrated system. We will bend all effort to achieve that, Madam Speaker.

Homemakers - equal pay by MPIC

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker, my question is to the Minister responsible for the Manitoba Public Insurance Corporation.

In light of studies which indicate that homemakers work an average of 60 hours per week, will the Minister explain the criteria for a decision by MPIC which gives homemakers, sustaining bodily injury which render them incapable of performing household tasks, an indemnity of \$150 per week or 58 percent of the minimum wage?

MADAM SPEAKER: The Honourable Minister responsible for MPIC.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker.

When this matter was being looked at last fall, we recognized that there was an inequity under the existing regulations, that the benefit that was to be paid was considerably less than what was being paid to a person who was working. The \$150 is not all related to the value that the homemaker may provide, but it certainly was an improvement over the previous benefits that were being paid. When we have the disability benefits being paid to a wage earner, the benefits are a percentage of the wage that is foregone. In the case of a homemaker, there are no wages, but \$150 is a recognition of the valuable service that is being provided.

MRS. S. CARSTAIRS: A new question to the Minister of Labour, would he explain, in light of his government's commitment to the principle of pay equity, what steps his ministry will take to rectify this affront to the principle of pay equity?

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: I think, Madam Speaker, it is becoming quite rightly recognized that women and men — because there are men staying at home now and raising children — are performing a very valuable role in society. We are, as a society, now having to recognize that work has value, and that our systems have to reflect that.

I appreciate the concerns the honourable member has. I think we have all indicated our support for homemakers' pensions, and I'm happy to indicate that we are, as a government, fully supportive of efforts to recognize the value of people who are at home raising families.

MRS. S. CARSTAIRS: A new question to the Minister responsible for the Status of Women. No work in our society has been more devalued than that of homemakers. Will the Minister, in her broad responsibility for her ministry, take urgent steps to guarantee non-discrimination in payments to homemakers from MPIC?

MADAM SPEAKER: The Honourable Minister responsible for the Status of Women.

HON. J. WASYLYCIA-LEIS: Madam Speaker, as my colleagues previously have indicated, this government

is concerned about economic security for all women. It is for that reason that we have paid particular attention to the proposals of the Federal Government for pension security for older women. The staff at the Women's Directorate, along with staff at Finance and other departments, are pursuing very actively some concrete proposals that will ensure security for older women. We believe that will go a long way towards addressing this inequity.

MADAM SPEAKER: The Honourable Member for River Heights, with a final supplementary.

MRS. S. CARSTAIRS: Madam Speaker, a final supplementary. Will the Minister responsible for the Status of Women accept, on behalf of her responsibility for women, her government's responsibility to meet the needs of women under provincial corporations?

HON. J. WASYLYCIA-LEIS: Madam Speaker, our priority is to ensure equal conditions and opportunities for all women. We will be pursuing policies and programs that will meet the needs of women at home and women in the workplace. One of our most important initiatives towards advancing the cause of equality for women has been pay equity, a proposal that has yet to receive overwhelming support from the Member for River Heights. I would hope that she would join us in support for this proposal, so that we can achieve longer-term benefits for all women.

MADAM SPEAKER: The Honourable Member for Kirkfield Park.

MRS. G. HAMMOND: My question is to the Minister responsible for the Status of Women.

As the Minister responsible for the Status of Women, is the Minister consulted when changes such as \$150 are being paid to women? Is she being consulted to see if this is an adequate amount to pay women who are in the home and cannot perform their duties?

MADAM SPEAKER: The Honourable Minister responsible for the Status of Women.

HON. J. WASYLYCIA-LEIS: Madam Speaker, my staff at the Women's Directorate is working to assist all departments in the development of policies relating to the status of women. Consultation mechanisms are being put in place. We will be developing a long-term strategy for dealing with all these issues.

However, it should be pointed out that the development of policies in this and any other area occurs in stages, and we will be ensuring input on a regular basis.

MRS. G. HAMMOND: Madam Speaker, to the same Minister, in light of the fact that the MPIC has a giant surplus, would the Minister take it upon herself to review the \$150, speak to the Minister responsible for the Manitoba Public Insurance Corporation, and get that amount raised to something that is reasonable and equitable?

HON. J. WASYLYCIA-LEIS: I will certainly be following this issue up, along with many others. However, I think

it's important to note that, prior to this recommendation, there was absolutely nothing available for women in this category. So I think, while we can't achieve total progress overnight, I don't think it would be in the interests of women generally to come in the way . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

HON. J. WASYLICIA-LEIS: I would hope that members opposite would be in favour of progress towards achieving greater equality for women, and not come in the way of steps that are taken towards meeting that goal.

Housing - Northern Manitoba

MADAM SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Madam Speaker. My questions are for the Minister of Housing in regard to housing in Northern Manitoba.

In recent year, Madam Speaker, residents of northern communities have had increasing difficulty in obtaining mortgage financing for new homes from CMHC. Recently, there has been a proposal that CMHC turn over such financing to the provinces. I'd like to ask the Minister what her position is in regard to this proposal.

MADAM SPEAKER: The Honourable Minister of Housing.

HON. M. HEMPHILL: Thank you, Madam Speaker.

This was one of the issues that came up at a recent Housing Conference of Ministers in Vancouver. It was one of three items that we put on the agenda, and I'm pleased to say that we were successful in achieving some agreement from the other provinces and the Federal Government on all these issues.

There has been a fundamental problem for a number of years that CMHC has been refusing to provide mortgage insurance at a reasonable rate in northern and remote towns. This means that they can't get private lenders' money. So we're virtually the only game in town, and people cannot build and cannot get insurance. Our position has been that, even where the market is weak like remote northern towns, even where the costs of construction are greater than the market rate, and even when there is risk like remote northern towns and the inner city, there has to be insurance provided for the building of homes.

We said at this conference that we thought the Federal Government should be providing it, but we were willing to sit down and discuss sharing the risk with them to provide mortgage insurance.

MR. S. ASHTON: A further question, Madam Speaker.

In view of the fact that adequate northern housing has also been restricted because of the application of inadequate and inapplicable southern building standards to northern conditions, I'd like to ask the Minister what actions she has taken in regard to trying to get northern standards for northern conditions accepted.

HON. M. HEMPHILL: This is another point we made very clearly at the conference, and that is that we want to stop building homes that cost \$100,000, about double what we think has to be spent, because we are forced to follow southern codes. We're literally building a three-bedroom house with kitchen, living room, dining room, corlon floors, drywall that nobody knows how to repair, for people who are fishermen, who earn \$10,000 a year and don't know what to do with these southern castles that have been built.

We want flexibility, Madam Speaker. We want to be able to build homes that suit both the climate and the lifestyle of the people in the communities. We particularly, Madam Speaker, want to stop wasting public money, spending twice as much to build a home as we need to spend. We have asked for flexibility, and the Federal Government has indicated that they will allow us to try more models and more flexible prototypes for building homes in the North.

Port of Churchill

MADAM SPEAKER: The Honourable Member for Turtle Mountain.

MR. D. ROCAN: Thank you, Madam Speaker, my question is to the Minister of Highways and Transportation.

In light of the welcome news concerning insurance rates for ships utilizing the Port of Churchill, I refer the Minister to promises made by the Premier during the election of 1981 and again in 1986, when the Premier promised to have a variety of goods, such as liquor, motor vehicles, construction equipment, including Saskatchewan potash, and the goods of all government departments and Crown corporations shipped through the Port of Churchill. I would ask the Minister to inform the House of the number of government departments and Crown corporations shipping their goods through the port, the volume of those shipments and the volume of shipments of liquor, motor vehicles and construction equipment since 1981.

MADAM SPEAKER: The Honourable Minister of Highways and Transportation.

HON. J. PLOHMAN: Madam Speaker, we have indicated that the Province of Manitoba is not a major importer of goods into the province that can be brought in through the Port of Churchill. We have indicated that there is a need to review the possibility of additional commodities being shipped through the Port of Churchill, including such things as alumina that could be used in an aluminum smelter, of potash being exported, timber, coal and other products. Those are being explored with the studies that are being undertaken by the Province of Manitoba and the Government of Canada under the sub-agreements.

But we have also indicated that the volumes of grain that have to be put through the Port of Churchill to make it viable have to be at least 600,000 tonnes per year, and that's what the resolution that is in the House calls for, Madam Speaker.

The Wheat Board and the Federal Government have not shown any resolve in making sure that the port

would be operating in a viable way by having at least 600,000 tonnes of grain shipped through that port. That's what we are insisting, and that's where the Member for Turtle Mountain could be making his representation to his counterpart, Charlie Mayer, the member responsible for the Wheat Board, to ensure that happens in future years.

MR. D. ROCAN: Madam Speaker, with the new lowered insurance rates, would the Minister now undertake to have the Premier live up to his election promises in this regard?

HON. J. PLOHMAN: Clearly it is the action of this government, led by the Premier, which has resulted in substantial improvements with regard to the conditions at the port and the amounts of money that are being put in, provincially, to that federal responsibility, because they have not undertaken actions. Successive governments, Liberal and Conservative, have not undertaken action at the port, so we're having to do it. We're putting our money where our mouth is, Madam Speaker.

MR. D. ROCAN: Madam Speaker, his answer begs me to put the final supplementary. On October 29, 1981, the Premier said, "This will replace the lip-service of the current Conservative Government. The only threat to Churchill is inaction, and an NDP Government will eliminate that inaction."

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, I am quite surprised that any member from across the way would have the nerve to attempt to compare their record vis-a-vis Churchill, 1977 to 1981, with the leadership and the investment on the . . .

MR. H. ENNS: . . . three times the amount of grain shipped . . .

MADAM SPEAKER: Order please.

MR. H. ENNS: . . . twice the number of people living there . . .

MADAM SPEAKER: Order please.

MR. H. ENNS: . . . three times the number of jobs . . .

MADAM SPEAKER: Would the Member for Lakeside please contain himself? I'm sure, because the Honourable Member for Turtle Mountain waited patiently to ask his questions while other members of the front bench had their opportunity, that he would like to hear the answer from the Honourable First Minister, if the Honourable Member for Pembina could contain himself long enough.

MR. D. ORCHARD: Madam Speaker, what did the Honourable Member for Pembina just do to contain himself? I wish you would quit referring to me; I never said a word.

MADAM SPEAKER: The Honourable Member for Pembina is reflecting on admonishments from the Chair, and he had better withdraw them immediately!

MR. D. ORCHARD: Withdraw what, Madam Speaker?

MADAM SPEAKER: I am calling on the Honourable Member for Lakeside to withdraw those last comments to the Chair, now!

MR. H. ENNS: Madam Speaker, I'd be happy to withdraw whatever remarks I made.

MADAM SPEAKER: It's the Honourable Member for Pembina, I'm sorry, that I am asking to withdraw those last statements — (Interjection) — if the honourable members of the Opposition thinks it's so funny that a member stands up and chastises the Chair, then perhaps they should leave the Chamber until they can contain themselves.

The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, I would like to know what comment I made to you that has enraged you so? I made no comment to you to prompt your outburst, Madam Speaker. I don't know what I'm to withdraw to you, Madam Speaker.

MADAM SPEAKER: The honourable member is to withdraw the statements that he just said on his feet. The Honourable Member for Pembina has been disrupting question period all morning . . .

MR. D. ORCHARD: Madam Speaker, I will withdraw the comments, which said I did not make any comments, if that will make you happy.

MADAM SPEAKER: I don't know whether it will make me happy, but it will certainly satisfy me for the moment. The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, I would like to thank you for your efforts to maintain decorum in this House, and I want you to know that all members on this side support your efforts to maintain decorum.

Madam Speaker, in the period from 1981 to the present, this New Democratic Party provincial administration, largely under the leadership in his department of the Minister responsible for Transportation, has entered into agreements with the Federal Government of joint federal-provincial action to enhance the lot of the Port of Churchill, agreements involving some millions of dollars by way of additional upgrading and improvement of the port facilities in Churchill.

It was this government, Madam Speaker, that has again and again reminded the federal Conservative administration, despite procrastination from time to time, of their obligations and responsibility. Madam Speaker, the people of Churchill, by way of their vote in the last provincial election on March 18 demonstrated their endorsement of this government's record commitment to the Port of Churchill.

Economic Security - tabling of Annual Report

MADAM SPEAKER: The Honourable Member for Gladstone.

MRS. C. OLESON: Thank you, Madam Speaker, my question is to the Minister of Employment Services and Economic Security.

I wonder, could the Minister tell us when he will be tabling his annual report so that the members can read it before Estimates.

MADAM SPEAKER: The Honourable Minister of Economic Security.

HON. L. EVANS: Madam Speaker, as I indicated I believe to some members of the Opposition privately, we've been requested to change the date of our departmental year from a calendar year to a fiscal year. This means we've added three months to the annual report, so the report will be for a period of 15 months rather than 12. This has caused some delays. We have it now, I believe, in the printing stage, and we hope that it will be ready prior to the Estimates. If the printed copy, the final copy is not ready, we'll certainly make our best efforts to provide a photostat copy for the honourable member.

Brandon University - Perkins' settlement

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question is directed to the First Minister.

The First Minister tabled yesterday a letter dated Tuesday of this week to Mr. William Potter, Chairman of the Board of Governors of Brandon University. Knowing that Mr. Potter left Brandon for a five-week vacation on the day following the announcement of the settlement with Dr. Perkins, why was the letter addressed to Mr. Potter and not the vice-chairman, since the final paragraph says, "I look forward to hearing from you on this matter in the near future"? How does that ensure a reply within a few days?

HON. H. PAWLEY: Madam Speaker, the Acting Chair, Mr. Perkins, has the letter which is what one would anticipate when — Dr. Stewart — (Interjection) — no, I'm glad Mr. Perkins is not involved in this, since he is an interested party to the discussions. I would have thought that the Member for Brandon West, with all his experience as a public servant, would have realized that would be the case.

MADAM SPEAKER: The time for Oral Questions has expired.

ORDERS OF THE DAY

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, thank you.

I move, seconded by the Minister of Labour, that Madam Speaker do now leave the Chair and the House

resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Burrows in the Chair for the Department of Health; and the Honourable Member for Kildonan in the Chair for the Department of Environment and Workplace Safety and Health.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY — ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH

MR. CHAIRMAN, M. Dolin: We are dealing with the Department of Environment and Workplace Safety and Health, Page 68. The first resolution will be Resolution 62, but previous to that the Minister will have an opening statement.

The Honourable Minister.

HON. G. LECUYER: Thank you, Mr. Chairman.

If that is agreeable with the honourable critic, we'll look at the department first and, at the latter part, we'll also review the annual report of the Compensation Board as was done last year and the previous year.

I am, Mr. Chairman, and members of the committee, indeed, honoured again to present the Estimates of the Department of Environment and Workplace Safety and Health. Our government is committed to the protection and enhancement of the quality of the working, public and natural environments for the health, safety and well-being of present and future generations of Manitobans, and to provide the opportunity for all people to exercise influence over the quality of their living and working environments.

To assist members in better understanding the content of the departmental Estimates for 1986-87, the department has for the first time participated in the preparation of supplementary information for the legislative review of Estimates. I hope the members did get this document. This document was recently distributed to all members. It is my hope that the provision of the additional information will benefit members during the Estimates review process.

I also at this time wish to apologize to the members for not having been in a position to provide them with a copy of the annual report to this point in time. A number of complications are the cause for that. The department, as some members know, was amalgamated as it presently stands for the last year's report with the addition that will appear in this year's report of the mining section in the report for 1984-85. The report is presently at the printers and could not be made available prior to the Estimates. I apologize for that.

I wish to take this opportunity to publicly thank my staff, the many organizations, largely volunteer, such as the Manitoba Environmental Council, the Advisory Council on Workplace Safety and Health, and the many hundreds of Manitobans who participated in the public consultative process. I would like to thank the many

people involved in these organizations for their support, commitment and hard work in assisting me in working toward our goal of making our province a clean and safe place to live and work.

I extend my sincere congratulations and encourage the continued participation by the many organizations whose goals and efforts continue to significantly contribute to the enhancement of our environment and in improving safety and health conditions in the workplace.

I wish to now focus my remarks on the specific program areas of the department. I will address my initial comments to the area of Workplace Safety and Health.

I wish to highlight a number of activities that will take place or continue during fiscal year 1986-87. The approval and filing of "The Workplace Health Regulation," developed in consultation with employers and employees from affected industries, will represent a major step toward outlining good occupational hygiene practices and specifications for both employers and employees to carry out their duties related to the prevention of occupational disease and illness. Implementation of this regulation will be prioritized on a sector basis and undertaken in phases.

It has been estimated that in Manitoba, exposure to carcinogens in the workplace is responsible for about 100 cancer deaths and over \$2.6 million in health treatment costs each year. The regulation will help to control exposure to hazardous substances in the workplace and in the long term reduce the incidence of occupational disease and death.

The Workplace Health Regulation combines three basic principles of occupational hygiene, namely assessment, evaluation and control with the workers' right to know and to participate. To this end, the regulation requires employers to work with their health and safety committees to accomplish the following:

1. List all materials and substances as well as hazardous materials present in the workplace;
2. Collect information about the contents and health effects of hazardous materials and develop methods to control exposure to these products;
3. Set up an environmental monitoring program, where necessary, to assess worker exposure and compare the results with occupational exposure standards;
4. Make decisions on the need for and type of control measures to install and establish a program to regularly monitor their effectiveness.

The impacts of the regulation on small businesses in the province will be particularly important . . . therefore, a study has been initiated to assist the department in responding to the needs of small industries.

Other regulation-related initiatives include the development of a Code of Practice Respecting Asbestos; the drafting, consultation, approval and implementation of two additional Construction Regulations (these are parts three and four); review and revision of the Spray Processing Regulation; the final filing of a revised Mines Regulation; as well as a revised Regulation and Codes and Practices regarding Safety and Health Committees.

During 1986-87 the department will be concluding two studies funded through the Manitoba Jobs Fund.

The first study is a major investigation of Occupational Health Services in Manitoba. Components of the study include review of Occupational Health Service needs and existing resources in the province; current problems and limitations; and identification of options for delivery of appropriate services.

The second study is a preliminary analysis of environmental, workplace, and community concerns with respect to the Flin Flon operation of Hudson Bay Mining and Smelting. This study will assist the department in determining action needs in this area. Concerns identified in the study will require both federal and provincial consideration.

I wish to also note that there is a comprehensive range of ongoing activities that will continue to be provided regarding workplace safety and health. Included within this category are activities delivered by the Safety and Health Inspectorate Branch, the Industrial Hygiene Branch, Educational Services Branch and Mines Inspection Branch.

The Educational Services Branch is developing advanced workplace safety and health courses to meet the demand for additional training for safety and health committees.

The Agricultural Safety and Health Program continues to provide educational service to this important sector through development and distribution of printed material and personal contact at rural fairs.

The Safety and Health Inspectorate Branch is continuing to undertake its accident response, compliance monitoring and auditing, guidance and training activities so as to be more responsive to client needs.

The department has continued its effort to ensure that The Workplace Safety and Health Act and regulations are complied with. Enforcement training seminars have been held and an enforcement liaison officer has been appointed.

In 1985, 10 formal charges were laid under The Workplace Safety and Health Act for non-compliance, resulting in fines ranging from \$100 to \$5,000 being levied against the guilty parties.

Among the ongoing activities of the Industrial Hygiene Branch, specifically in the area of indoor workplace air quality, activities include development of a tight or sick building protocol and activities related to lead in foundries.

The area of mine safety and health is of considerable concern for the department and is receiving substantial attention by the Mines Inspection Branch in light of the number of fatalities that have occurred in this sector in the past year.

The second major thrust of the department is in the area of environmental management. The department has brought forward for consideration a Hazardous Waste Management Crown Corporation Act during this Session. This act will provide for the establishment of a Crown corporation to operate and manage a Manitoba Hazardous Waste Management System. This is a major step as the government continues its steady progress towards the goals we set out in 1982, which will result in Manitoba having an integrated management system in place before it experiences significant toxic waste problems.

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In addition to bringing forward the legislation indicated, the Clean Environment Commission will also be undertaking a series of public hearings during this year to address the question of what type of system would be appropriate for Manitoba and facility site selection criteria.

It is also my hope that prior to the end of this year, I will be able to table for member consideration, a White Paper or discussion bill regarding the new environment act.

As well, the province has adopted recently a set of environmental principles of which I have copies here and will make them available for the members, who so desire. I have discussed these environmental principles with our own Manitoba Environmental Council, as well as with the Bruntland Commission on Economic Development and World Environment.

The Bruntland Commission responded favourably to our environmental principles at this point, and the principles have also formed the basis for the department's input into the United Nations conservation strategy.

The pollution control philosophy about the basis for environmental legislation and programs in the 1960's and the 1970's achieved success in addressing pronounced pollution problems. However, it has been less than effective in preventing the incremental erosion of environmental quality. There is an immediate need for a new approach if we are to ensure a healthy and secure environment for future generations.

The main provisions proposed for the new environment act will include: (1) An effective and efficient site specific review process for any undertakings with potential environmental impact, in addition to those which discharge contaminants; (2) A method for ensuring consistent public participation in decisions concerning environmental quality; (3) Capability of considering the socio-economic impacts of environmental decision-making; (4) Recognition of the multi-jurisdictional aspects of environmental management; and (5) Encouragement of the use of volunteer agencies for research, data gathering and policy advice.

I would also indicate that the department intends to proceed with a number of regulations regarding the environment: (1) the manifest regulation; (2) environmental accident reporting regulation with respect to hazardous waste management. Both of the above-mentioned regulations will be circulated for public comment in the very near future. (3) A revised waste disposal grounds regulation; (4) a revised gasoline and associated products regulation; (5) a revised regulation to address incinerators; (6) a revised regulation governing livestock production operations relative to both the technical aspects and land use; (7) a revised regulation dealing with swimming pools and related facilities such as whirlpools and waterslides; (8) a waterworks and sewage disposal regulation; and finally, (9) a regulation addressing SO₂ emissions. This latter regulation will put in place Manitoba's contribution to the national effort to combat acid rain.

You will notice that an important number of regulations will be receiving attention. This is not unusual since the department is first and foremost a regulatory department. It should also be clearly understood, however, that all regulation development

activities that take place within the department include a process of extensive consultation with those groups and parties that may be affected by those regulations.

Of particular interest to Northern Manitoba are two initiatives that I wish to highlight. The first one is the undertaking of a major scrap metal cleanup within the Town of Churchill area. This project, cost-shared equally with the Government of Canada, involves the removal and relocating to southern Manitoba for recycling 4,000 tonnes of scrap metal. This matter has been of concern to Churchill residents for many years, and the abandonment of federal facilities makes it imperative that action be taken.

The second project relating to Northern Manitoba that I wish to highlight involves the carrying out of a later study which will be relevant to Northern Manitoba in general. This study, being carried out by the Churchill Northern Study Centre, is an initial step in dealing with the problem of non-returnable containers and bottles and other litter in Northern Manitoba.

I am most pleased to inform the members that the department, during Environment Week which took place recently and at which the critic was also in attendance — at least at the opening of part of the functions of that week — in cooperation and with the financial assistance of the City of Winnipeg and Environment Canada, undertook a project respecting the collection and proper disposal of household hazardous waste products, which enabled residents of the City of Winnipeg to drop off a variety of household hazardous chemicals and products. Two hundred and eighty-six participants brought in over 12,000 litres of household hazardous waste. This included 183 different products, and it is my intention to make this an annual event.

The department continues to be financially responsible for the operation of the Manitoba Waste Exchange. The Exchange was initially established during the 1984-85 year on a 50-50 cost-sharing basis between the department and Environment Canada. Environment Canada has withdrawn its financial contribution from the exchange. The Manitoba Government now provides 100 percent of the funding support for this operation. The Exchange, operated by the non-profit Biomass Energy Institute, cooperates with the Canadian Waste Materials Exchange in recycling material. The Exchange provides a local contact for Manitoba industry, and lists wastes that are available or wastes that are wanted by the industry. It is then the responsibility of the specific industries to effect the exchange of such wastes.

I would now like to move on to the area of pesticide management, in particular, and the area of pesticide container disposal and the pesticide use permit system. With respect to the pesticide container disposal program, the department continues to provide technical support to participating municipal organizations. In the past season, 78 drums of pesticide residues were picked up, placed in storage in Gimli, and subsequently disposed. Based on these statistics, I believe that it is clearly demonstrated our approach has proven to be extremely successful in addressing the problem of pesticide container disposal.

The second area regarding pesticides that I wish to briefly comment on is the pesticide use permit system. This regulation, adopted approximately a year ago, is now fully implemented. As of this date, over 175 permits have been issued. Obviously, the use of pesticides

continues to be a very sensitive issue. As a result, the department imposes a number of restrictions when permits are being issued. Some examples of these restrictions include: no aerial application over residences, no spraying of school grounds while children are in school, no spraying of parks or ball diamonds while the public is present, and a 100 metre buffer zone has been established around residences of those who object to residential mosquito fogging.

I would now like to focus on acid rain, an issue that has received certainly substantial national, and also international, prominence over the past number of years. As members are no doubt aware, during an Environment Ministers Meeting in February of 1985, Manitoba expressed its commitment to reduce total provincial SO₂ emissions to no more than 550 kilotons per year by 1994. The department is addressing implementation of this commitment with full consultation with various other provincial departments as well as the affected industries, principally Inco and HBM and S.

To achieve this reduction target of 550 kilotons per year, the department has, as I noted earlier, prepared a draft of a regulation respecting permissible atmospheric emission limits of SO₂.

Following further consultation with the affected companies, it is my hope that this regulation can be approved and implemented prior to the end of the current fiscal year.

Further, I can also advise you that Manitoba is financially providing \$10,000, along with the provinces of Alberta, Saskatchewan and British Columbia and Environment Canada, to carry out a Target Loading Study in Western Canada, which is being conducted by the National Research Council. As well, we are continuing our own ongoing research on the effects of acid rain and are closely monitoring research in other provinces and countries from which we can benefit.

My department will be heading the province's 10-year \$100 million river renewal program for the Red and Assiniboine Rivers beginning this year. At present, a detailed action plan is being developed in cooperation with other departments for public discussion in the near future. This is only one highly visible example of the department's very substantial concern and responsibility for water quality in Manitoba, which includes water quality monitoring and the development of water quality objectives.

The department will continue to closely monitor activities related to nuclear waste disposal concepts that may affect Manitoba. As you know, most Manitobans were gravely concerned about possible nuclear waste disposal sites in Minnesota. Through prompt and well-reasoned intervention, in cooperation with the Federal Government and our neighbours in Minnesota and North Dakota, we were able to influence the United States Department of Energy site selection process. It has now been indefinitely postponed.

We also sought and received assurances from our own Federal Government that Manitoba is not being considered for a nuclear waste repository. The department will not, on the other hand, relax its vigilance but will indeed continue to track this very important issue.

While I have focussed most of my comments to this point on new or expanded activities the department is

engaged in, and will continue to be engaged in during 1986-87, I certainly do not want to overlook the numerous ongoing, routine environmental activities that take place.

In particular, I want to mention activities such as public health inspection; water, air and terrestrial quality monitoring; the enforcement of the Clean Environment Commission orders ensuring that existing water and air standards and guidelines are maintained; and insuring that environmental assessment and review procedures are applied wherever deemed appropriate and necessary. The department also maintains one of Canada's most cost-effective environmental laboratories, which supplies analytical service to both the Environment and Workplace Divisions of the department, as well as to other government departments and to the general public for water supply testing.

As I believe the situation to be with any department of government, there is always a wish that one could do more. While I am certainly pleased we are able to proceed on so many fronts that are of interest and concern to Manitoba, I must stress that we continue to deliver services in our priority areas even under continued restraint.

Before concluding, there are several other areas of departmental operation that I would like to touch upon very briefly.

The Worker Advisor Office, established in September of 1986 continues to provide much-needed assistance to claimants having difficulty in resolving their claims with the Workers Compensation Board. During this past fiscal year, this office established 714 new files and closed 695 files. Clearly these statistics indicate that the level of activity and the need for advisor involvement in assisting claimants with their claims has not diminished.

Further with regard to the Worker Advisor Office, I would also like to report that the Worker Advisor Training Program, which was initiated during the last fiscal year under the Manitoba Jobs Fund, will continue during the current fiscal year. Under this program, four advisor trainees are undergoing extensive training and application of Workers Compensation Board and Worker Advisor procedures with the objective being that, on conclusion when these trainees return to their former workplaces, they will be well equipped to assist fellow workers in dealing with Workers Compensation Board matters. One term clerical support staff position has also been added under this project to provide office support and services.

Mr. Chairman, and members of the committee, I will leave other department-related matters to questions that may arise, and we'll answer them at that time. I wish at this time to conclude my remarks.

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

MR. A. KOVNATS: Thank you very much, Mr. Chairman. Just a slight correction on Page 18 when the Minister was making his remarks, he was talking about the Worker Advisor Office established in September of 1986. I'm sure that it was just a misread. It was 1982, as the Minister knows, and I would like that to go on record just so that his remarks are not misunderstood.

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MR. CHAIRMAN: It's on the record.
The Member for Niakwa.

MR. A. KOVNATS: Thank you very much, Mr. Chairman. I would like to take this opportunity, Mr. Chairman, to thank the Minister for his cooperation and he can expect the same type of cooperation from our side of the House. Inasmuch as the Minister has provided us with material in advance of his speech — as a matter of fact, he has given a copy of his opening remarks, and I want to thank him because it is of great assistance. He has also provided us with the Supplementary Information for the legislative review on Manitoba Environment and Workplace Safety and Health, which is the first that I think that this has ever been done, and I thank him very much for that cooperation also. It gives us a better understanding of the department and I think, if we have a better understanding of the department, it gives us the opportunity of being able to present more intelligent questions for review.

It's not our intention to try and show the world how much we know about the department. It's our intention to ask the Minister pertinent questions so that he can advise us that he is operating his department in the best, most efficient manner. Our questions will be short and to the point, and I think that the Honourable Minister will probably make his answers short and to the point also.

Did you get it all, or do I have to repeat it? — (Interjection) — You got it, okay. I have no aversion to the Minister's staff joining him at this point.

MR. CHAIRMAN: If the staff would like to come forward.

A MEMBER: But you're not finished with your opening comments?

MR. A. KOVNATS: No, I'm not finished with my opening remarks. Please, they're most welcome.

I would like to, at this point, just advise the Minister that we have had the words "monitoring and reviewing" and "looking into the matter" and "waiting for a report," and I don't think that we can keep accepting this as an excuse when we're looking for information. I think that the Minister has reacted and has insisted that his department move quickly on particular subjects, and I respect the Minister for that. But again, I would not like to have answers, and I give him fair warning that "monitoring" and "looking into" and "keeping an eye on" are not acceptable terms for questions that will be asked a little later on.

As we know, there is new technology taking place in the world today, and the Minister's department is keeping up with this technology. I know that when we make decisions this technology will have an important factor on the making of these decisions. I do know some of the Minister's staff, and I do know them to be competent to the point that they are keeping up with the technology of today.

We have some important subjects concerning the handling of hazardous wastes and nuclear waste, and what we are going to do with it, Mr. Chairman. Sites have to be picked. I think the Honourable Minister will be probably advising us whether the sites have been

picked and whether, in fact, these discussions are still ongoing as to where these sites will be located. These are all important aspects of the Minister's department, and I hope that he will be able to answer these questions when we get down to them.

I have been accused in the House, after I'd made some statements concerning I am a member of the Opposition and I can't have it both ways. The members of the government keep turning it to me and trying to ridicule those particular statements. I think that I can have it both ways when it comes to criticizing or suggesting that more monies be spent on particular programs and, by the same token, I can have it the other way when condemning some programs that are wasting money. So I'm the only one who stands up and admits that I can have it both ways. I think that the government can have it both ways also, if they will listen. We have to spend money on programs that are important and cut back on programs that are not important, that are wasteful spending.

I'm going to encourage the Minister to accept the responsibility of the environment, which includes the City of Winnipeg. It's not the Minister's fault, but in the past we have taken the responsibility of environment in the City of Winnipeg and said to the City of Winnipeg, this is your responsibility. We sit back and we condemn them but we're not really in a position to do anything about correcting the environment for the City of Winnipeg to our satisfaction.

I would hope that the Minister would, somewhere in the future, stick his nose in and become more aware of the problems of the City of Winnipeg and the environmental damage that emanates out of the City of Winnipeg, particularly in the water supply in Selkirk. I'll get back to that, too, because I had asked the Minister some questions on the water supply in Selkirk and there was some information that was imparted to me that I've now found out to be not quite so, but the Minister will have a chance to correct that at a later date.

I think that we will be bringing in all kinds of things — the environment around Brandon. We're talking about the Clean Environment Commission making rulings on all these different locations. I would like the Minister to be able to explain to this committee the actions of the Clean Environment Commission, because it is important and their duties are important. I hope that they won't be influenced by — we were talking about asbestos a little bit earlier on, and I see where in the Province of Quebec, where they do have products out of asbestos, that the people in the asbestos industry are yelling and screaming like there's no tomorrow, because of the environmental damage that has been coming out of asbestos.

The people in the industry don't want to cut back. They don't want to do any correction. I would hope that the Minister doesn't run into any problems such as that in Manitoba, where there's a conflict of interest, where people in the workplace, to protect their own livelihoods, are suggesting that we keep maintaining particular operations that are dangerous to the public and to the workers.

Sometimes when your livelihood is affected, you change your attitude toward some of these things, and I hope the Minister won't be influenced, if it's a matter of encouraging some of these people to correct an environmental problem.

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I think that you can give them the opportunity of time, but time means danger, and we've got to hurry up these processes where there is a danger to the health of the people working in the workplace. If the Provincial Government has to invest some dollars to encourage it, rather than close down a particular operation, I would strongly recommend it. First of all, we've got to get the people who are in the business, and I think that I'm making reference to HBM and S and maybe to Inco, to clean up their act. We have to encourage them to do so; and maybe we can even invest a few dollars to maintain their operation in Manitoba in a safe environment.

I repeat that I'm not prepared to accept any more answers, like more studies, when it comes down to that.

Mr. Chairman, the Minister made reference to acid rain and I'll just bring up one subject. When we were at an environmental conference in Quebec City, I was talking to a Minister of the Federal Government. He was telling me that when it comes to acid rain, we can cooperate, and we must cooperate amongst ourselves, with Manitoba, Saskatchewan, Ontario, British Columbia, Alberta — we must have cooperation among these provinces when it comes to the dangers of the environment, which do include acid rain.

There's a problem with the United States. These are our neighbours and our good friends and we must have some cooperation with them. I hope that we can change their attitude, as we have changed their attitude to the location of a nuclear waste site in the Red River Basin in Northern Minnesota. I hope that we can change their attitude towards acid rain in the United States. I know that there's ongoing meetings between Canada and the United States. I hope the Minister will get involved also, in seeing that our environment is protected.

I remember one of the statements that was made by a United States Senator about how he doesn't give a damn about how many trees we lose in Canada because of acid rain, but he would see that we could lose every forest and every tree in Canada rather than lose one position of one worker in his home riding that he represents. That's a hell of an attitude. I think we've got to talk to them and get them to understand the dangers and the problems, and a lot of cooperation that goes with it.

The Minister had made some remarks about Churchill. As a matter of fact, I had spoken to the Minister about it because it was an Order-in-Council. I'm not trying to embarrass the Minister. I think what we're trying to do is to get the best services out of both the Minister and his department, and the environmental critics and the people that support him. It was concerning a major scrap metal cleanup. I'm only making reference to a couple of things because I know that we can probably get down to it when we get down to the individual line-by-line.

The Minister has made remarks about the major scrap metal cleanup within the Town of Churchill area. I saw the Order-in-Council and the Order-in-Council, I think, shows a cost of \$103,000, which seems to be exorbitant but I think if you were doing the job, maybe that's a legitimate cost. It's supposed to be split 50-50 with the Federal Government and the Provincial Government.

There's 4,000 tonnes of solid, metallic waste and I wonder what justification we have in cleaning up

Churchill rather than some other location. Who's paying for it? I see that there's \$51,500 of Manitoba tax money going into that. It's a good project; I can understand. It's hazardous waste. At least it says hazardous waste on this Order-in-Council.

I really don't think that it was hazardous waste because I did check it out and it was put into bundles in Churchill and shipped down to Winnipeg, out to Selkirk and recycled, and is now being used at the Selkirk Rolling Mills, to the great advantage — somebody seems to be making a profit out of it but it doesn't seem to be the Province of Manitoba. I wonder if the Minister would be able to make some remarks on that. All it seems is that it's a cost to Manitoba and a cost to the Federal Government.

I had so much on my mind here. Was there something about the polar bears?

A MEMBER: Mosquitoes.

MR. A. KOVNATS: Mosquitoes? Well, he's going to get the mosquitoes, don't you worry about that. That we're going to get to when we come down to line-by-line.

A MEMBER: It's a small creature, though.

MR. A. KOVNATS: The Minister has taken the opportunity of stopping the spraying in his particular area. I don't think it's his right and I think there are some people in the area that have to suffer because of the Minister's actions. I'm not really condemning it. I'm just putting it on the record that I know that the Minister, in my constituency, has said that he doesn't want spraying in a particular area. I respect that, but I think that the Minister, if he's going to not allow spraying in that area, he's got to be able to suggest to the people in the area how they can protect themselves from the mosquitoes, rather than just slapping the mosquitoes, because some of them are big mosquitoes and, you know, they do fight back.

I think that the Minister has accepted a responsibility, on Page 16 of his remarks, concerning the \$100 million of renewal program for the Red River and Assiniboine River beginning this year. That seems to me to be a \$10 million per year cost, if we average it out, \$100 million for 10 years, that will be \$10 million per year. I wonder if the Minister is going to tell us whether there are any plans, because this was an election province by the Premier of the Province of Manitoba, that he will be spending that kind of money to clean up the riverbanks. But then I look and it says, ". . . in cooperation with other departments for public discussion" — I thought that it was already decided," — "public discussion in the near future." I thought it was already decided that this was a promise made by the First Minister and that it would be carried out. It says, ". . . for public discussion." I hope this public discussion won't be the same type of public discussion that The Hazardous Waste Act is going to be.

The Minister has presented a bill and I supported his bill when he presented it, and I hope that it's not just pie in the sky. I hope the Minister will be able to show us where he is developing it and it's not going to under discussion. I think that it's got to be established

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and looked after right away, Mr. Chairman. The Minister will have an opportunity of replying to that, as to whether the cleaning up of the riverbanks was just an election promise, and whether The Hazardous Waste Management Act is also just an election promise.

These are all things that come to mind when I'm going through, Mr. Chairman. Again, it's not my intention to prolong the debate at this point. I'd like to get right into the Estimates and allow the Minister the opportunity of answering some of the questions that I'm prepared to pose to him.

If I've neglected to thank — the Minister took the opportunity to thank his staff — I would like to take the opportunity of thanking my associate, the Member for Portage la Prairie, because we have gone over the Estimates, quite in detail. He's a new member but I'll tell you, when he gets down to asking some questions, you'll find that he's a very very competent member. I would like to thank the Leader of the Conservative Party, now that you're thanking everybody, for his support in my being the Critic of Environment. I would also like to thank my wife for her support.

HON. G. LECUYER: She may not continue to give it to you.

MR. A. KOVNATS: Mr. Chairman, I'm being a little bit light and flighty about it, but I would like to thank the Minister for all his cooperation in the past and I hope that we'll have the same type of cooperation once we get right down into the Estimates.

Thank you.

MR. CHAIRMAN: Thank you. Okay we will now proceed with Resolution 62, deferring Item 1.(a) Minister's Salary, we'll begin with Item 1.(b) Executive Support.

The Minister.

HON. G. LECUYER: Just before we begin, I want to introduce the Deputy Minister, Mr. Tom Owen; the Department Administrator for the Executive Support and Finance, Wilf Boehm; and the Director of Environmental Management Division, Norm Brandson, are sitting at the tables here.

I know that the member has raised in his reply to my opening remarks a number of issues on which he is seeking additional information. As the Chairman has said, we will proceed in the order that this appears on the book. I will endeavour to comment on all of the specific points which he has raised as we reach these items in the Estimates process, if that is in agreement.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: Mr. Chairman, being a new member, there might be some problems in getting the right thing in the right spot at the right time, so I would hope that if I do miss something, you would give me the opportunity to come back to it, rather than waiting till the Minister's Salary, when staff are here.

HON. G. LECUYER: I am quite free in that regard and if we reach some point — I don't encourage to purposely do this — but I understand the member's remarks in that respect; we'll allow it.

MR. CHAIRMAN: I'd like to assure the member, I think we can be flexible as long as they're reasonably pertinent to the items being discussed — you know they're not totally out of whack with what we're discussing, which is Department of Environment and Workplace Safety and Health.

Item 1.(b) Executive Support — the Member for Niakwa.

MR. A. KOVNATS: Thank you, Mr. Chairman. Executive Support, this is the group that advises the Minister in all departmental matters, coordinates and manages the activities of the department. Who are these people?

HON. G. LECUYER: As I mentioned a moment ago, the director of that section is Wilf Boehm sitting here at the table. There are a total of eight staff in that section. That is the same number as the previous year. It includes in the whole section the Deputy Minister — I'm sorry — we're dealing now with . . .

MR. CHAIRMAN: 1.(b), Executive Support; I assume the member is dealing with 1.(b)(a) Salaries.

HON. G. LECUYER: Okay, I was starting on the 1.(c). The Executive Support consists of the deputies and the Minister's immediate staff, such as, the assistants and secretaries. The number is the same as the previous year.

MR. CHAIRMAN: I think the member wanted the names of the individuals?

MR. A. KOVNATS: I know the name of the Deputy Minister. I don't have to have the names of the secretaries — not that I'm belittling their positions — but I'm just wondering whether there would be anybody other than the office staff and the Deputy Minister that would be included in that group?

HON. G. LECUYER: There's an executive assistant and a special assistant to the Minister and there's an assistant to the Deputy Minister.

MR. A. KOVNATS: Okay, an executive assistant and a special assistant? Is the special assistant the same position that it was a year ago, and the same with the executive assistant, or have these people been added to the complement under this particular department?

HON. G. LECUYER: No, they are the same positions and there was an executive assistant and a special assistant before and that still exists now.

MR. A. KOVNATS: The only reason I asked, Mr. Chairman, was there have been many other departments that have increased in executive assistants and special assistants, including the Speaker of the Manitoba Legislature, who didn't have any. I don't mean to extend, I'm just trying to explain the reason I was asking those particular questions. We can pass that one.

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

1.(c) Planning, Research and Evaluation — the Member for Niakwa.

MR. A. KOVNATS: This is the group that initiates the policy of the department, the planning of the department on what they're going to do, and it doesn't include the Deputy Minister or the executive assistant or the legislative assistant, this is another group altogether. Can the Minister explain who this group is?

HON. G. LECUYER: That is correct, Mr. Chairman. The Planning, Research and Evaluation Branch consists of five staff years under the direction of Gerry Spiegel, the director, and there are three planning program analysts and one administrative secretary. That is the same number of positions, by the way, Mr. Chairman, as the previous year.

MR. A. KOVNATS: Who makes the final decision as to who undertakes the program evaluations in this particular department? Is it the head of this group that you were talking about or is it the Deputy Minister or does it come right back to the Minister to make that decision on the program evaluations?

HON. G. LECUYER: That, Mr. Chairman, falls primarily under the Deputy Minister's responsibility.

MR. A. KOVNATS: My leader has some questions on this particular . . .

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. G. FILMON: Mr. Chairman, yes, I have a number of questions I want to raise with respect to the topic of acid rain that's referred to in the Minister's opening statement, and I wonder if he'd prefer me to do it here or under Item 2. I may not be available throughout the sitting of the committees.

HON. G. LECUYER: Mr. Chairman, could I suggest that we'll accommodate the leader, that we finish 1.(c), and we could interject that comment before we go into 1.(d).

MR. G. FILMON: Fine.

MR. CHAIRMAN: Okay, the Member for Niakawa on 1.(c).

MR. A. KOVNATS: Yes, we can pass that one.

MR. CHAIRMAN: 1.(c)(1)—pass.
1.(c)(2)—pass — the Leader of the Opposition.

MR. G. FILMON: Mr. Chairman, I wonder if I could ask the Minister, he made, in his opening statement, the remark that Manitoba is committed to reduce the total provincial sulphur dioxide emissions to no more than 550 kilotons per year by 1994. What's the maximum emission level of sulphur dioxide that the province has had in its history in one year?

HON. G. LECUYER: Could you just hold on a minute; I'll get that information. I'm not sure whether the Leader of the Opposition is asking what the highest level of emission has ever occurred in Manitoba or what's the

current allowable level. If it is the latter, that is the allowable emission level, it's 738 kilotons currently.

MR. G. FILMON: And do we have an indication of whether or not that level has ever been achieved in the past or what the maximum level achieved has been?

HON. G. LECUYER: Mr. Chairman, I do not have the details of that information. I could get it. I would have to review, go back a number of years to find out what was the highest level of emission achieved over the past years. I know it was significantly higher than it is presently.

In days when, for instance, the whole mining industry, for instance, was operating on more optimum prices for the metal products on the other hand, and as well, because some improvements have been brought about in their operation, specifically in regard to Inco in recent years, so that in itself would have, to a certain extent, already contributed to reductions. But I can get the figure as far as what might have been, looking back five, six years ago what the highest level was. All I can say is that the level of 738 kilotons over the last seven years has not been exceeded.

MR. G. FILMON: Mr. Chairman, I recall from previous discussions that the level has not been achieved but it's been my impression, as I think the Minister alluded to, that it's because neither Inco nor HBM and S are operating anywhere near capacity or have been for quite a number of years.

HON. G. LECUYER: Yes, that is part of it, but the fact is that HBM and S is functioning, as I understand it, pretty near capacity. There is a second reason, and I have already alluded to it, and that is also because as far as Inco is concerned there have already been considerable improvements brought about in its operation.

MR. G. FILMON: I'm aware that Inco undertook the sulphur removal program quite sometime ago and that that has resulted in it. What has been HBM and S and Inco's reaction to the prospect that they would have lower limits placed on them for sulphur dioxide emissions? Do they believe that they can continue to operate at near capacity and achieve those levels?

HON. G. LECUYER: When we initially proposed to live within the commitment of 550 kilotons, this was already on the basis of discussions that had occurred with the industry, and we do believe that it is quite feasible for Manitoba to continue to operate at capacity level down the road at that level of emissions.

We have, as I stated in the preliminary remarks, developed a draft for a preliminary regulation which is now in the process of undergoing further discussion with the industry, and a draft regulation which will be used by the Clean Environment Commission to hold hearings in the communities affected before such regulation is adopted as the mechanism to control the level of emissions by these industries in future years.

MR. G. FILMON: Does the 738 kilotons include any allowance for emissions from coal-fired thermal plants at Brandon and Selkirk or any other point locations?

HON. G. LECUYER: That 738 includes all sectors, so that's a total for the province, but we, in committing the province to 550 kilotons as the goal for 1984, which we certainly hope to achieve before that on the basis of the regulations that are now in draft stage, even under the 550 kiloton level, we will have a substantial buffer zone that will be available for other industries or thermal industries, if that should occur. There will be an amount there that will not be allocated to either of these two primary emitters in Manitoba.

MR. G. FILMON: The Minister's opening statement makes the further comment about ongoing research on the effects of acid rain. Has the monitoring shown any noticeable damage due to acid rain in any areas of Manitoba at the present time?

HON. G. LECUYER: Mr. Chairman, the ongoing research, and that will continue, has not at this point shown any measurable impacts on the terrestrial or forestry for that matter in the Province of Manitoba.

MR. A. KOVNATS: Has there been any identification of acid rain in Northern Manitoba, or have we set up a system of monitoring Northern Honourable Member for Rupertsland and places similar to that?

HON. G. LECUYER: I missed the beginning of the member's comments, Mr. Chairman.

MR. A. KOVNATS: Have we been monitoring the amounts and levels of acid rain in Northern Manitoba, particularly around the area of the Honourable Member for Rupertsland and places similar to that?

HON. G. LECUYER: Yes, we certainly have, Mr. Chairman, we have. Yes indeed, there are five locations where we monitor on an ongoing basis.

By the way, having just used the word, "monitor," and I note that the member used it or commented with that in the opening remarks, when I use the word "monitor," in no way is it equal to looking into. Monitor means "ongoing testing or taking of samples," and that's what I mean when I use the word "monitoring." We continue to monitor.

At this point in time, although we know that we do experience some acid rain in Manitoba, we have not been able to notice any of the damaging effects.

MR. A. KOVNATS: Could the Honourable Minister advise whether we can identify where this damaging acid rain emanates from?

HON. G. LECUYER: Mr. Chairman, we know, primarily, that emanates from the R2 smelter operations in Manitoba, and some minor effects also that are as a result of operations in Saskatchewan.

MR. A. KOVNATS: Under Community Relations it says: "coordinates the communication requirements of special activities such as the U.S. nuclear waste siting issue, hazardous waste management." Can the Honourable Minister advise whether any locations or any sites have been chosen for the hazardous waste disposal sites?

HON. G. LECUYER: The member is referring to hazardous waste or nuclear waste?

MR. A. KOVNATS: I'll start with hazardous waste.

HON. G. LECUYER: The process that we are on the verge of embarking into in regard to hazardous wastes — that is the hearings which will occur early this Fall — will have a two-faceted mandate, if I can use that terminology. One would be to provide recommendations in regard to the type of facility appropriate to meet Manitoba's needs; and secondly, to provide the criteria which will be used to proceed then to identify the actual sites. So no site has been chosen at this time. That can only occur following this final round of Phase One of public hearings, which is going to occur early this Fall.

MR. A. KOVNATS: Mr. Chairman, what will the Minister do if there is no encouragement for a site to store or dispose of hazardous waste?

HON. G. LECUYER: I assume, when my honourable friend refers to . . .

MR. A. KOVNATS: No recommendations.

HON. G. LECUYER: No recommendations. Perhaps I wasn't clear in my previous response. The hearing process will not recommend sites. The hearings will recommend the criteria which the Crown corporation will use to then identify the sites.

Now, I think the member is also wanting to get to the point. What happens if, based on those criteria, nobody is willing to accept that they are picked as a site or something to that effect? Certainly there will have to be negotiations which will take place.

I firmly believe, Mr. Chairman, that whereas perhaps just a few years back, the attitude of large sectors of the population really were frowned upon and adopted the attitude that it's needed. Yes indeed, it's needed. Everybody agrees that it's needed, but perhaps the traditional attitude was that, it's needed but I don't want it near where I live. That, to a large extent, was based on the fact that nobody had any degree of confidence that we could treat hazardous substances in a way that would render them non-hazardous or non-toxic.

The hazardous waste management system is put in place to do exactly that, to take these substances and render them non-toxic, therefore to provide this degree of confidence that, when they are either finally disposed of in the landfill after they've been chemically treated or if they are incinerated, they will not pose the problem that existed before and that exists now, that these substances are disposed of in the sewage and in the landfill which creates the great problem.

I think events in recent years have contributed to changing the mentality. The PCB incident of last year, for instance, really brought home the point to people in Canada and Manitoba as well that we can't just say, something's got to be done but it better not be done near where I live. Now I think people realize that we're going to have to assume some responsibility, because to not do anything about it creates a much larger

problem than if we accept that it has to be done. We accept that it has to be done, as long as it's done in a way that will provide the greatest guarantee in regard to safety for the environment and the health of individuals.

MR. A. KOVNATS: I'm at a bit of a loss, Mr. Chairman. We were in the process of passing the law on hazardous waste and we don't know what we're going to do with it. We've got a law to cover hazardous wastes and now that we've got the law, what are we going to do with it?

I know the Minister is concerned but we still don't have any sites and we're waiting for some committee to make some recommendation so that we can proceed. I think the Honourable Minister has got to make up his mind. He's got to accept the responsibility of being able to make that decision that we will have a site to cover this particular problem, when the act is passed and when it's in motion.

I think the Minister better start thinking about it pretty soon, because we're not too far away from passing this particular bill, and I think the Minister wants it passed, but he's got to give us some answers on some of the results of passing the bill.

HON. G. LECUYER: Mr. Chairman, yes, I do indeed accept the fact that we've got to do something about it, and the bill that you're referring to is going to enable us to proceed, certainly a major step forward, in that establishing a Crown corporation we've established a mechanism that is going to look after the operation, the management of this system.

We've reached a point where we cannot continue to operate as a department where we'll be the proponents or the people who are going to run such a system, and at the same time, to be the body that's going to implement and enforce the regulations by which that system has to operate to ensure that it goes on to provide the safety and health of Manitobans and the environment that they live in.

So it will enable us to appoint the board of that commission, the staff that will operate that corporation and they will, in turn, also have to implement decisions based on a great deal of an amount of information that has been provided by the department, has been prepared over the last year by the department, some of which will be submitted for public consumption, and at those hearings.

We have to proceed, but we've learned something from what's happened in other jurisdictions over the years as well, where attempts were made to proceed rather rapidly and that has caused a setback that is perhaps very negative and costly because large sums of money were spent and they were not able to proceed. The proof of that is that no other province has a system in place as yet. Alberta is well on its way to having such a system, is in the process of building it now, and I expect that Manitoba might be, if not the second or third province to have the system in place.

That's how close I think we're getting to having it, and I agree with you; it's necessary. We're committed to doing it, but in a very rational, practical way. To do otherwise simply sets it back longer because it's very important that the public understand what is being

proposed and what this will do. In being so informed, they can also have an input in these public hearings.

MR. A. KOVNATS: Now that we've given the Minister something more to think about, I would like to suggest to him that while he's thinking about a site for hazardous waste disposal, he better think about a site for nuclear waste, what we are going to do with the nuclear waste. I know that we're storing nuclear waste at Pinawa and there's nothing wrong with that because I think they're at a particular position of where they have to store that type of waste and we're not bringing in waste from other places. But I was wondering whether the Minister has thought about bringing in a site of nuclear waste.

Let's say that Manitoba is the best site in the world to store nuclear waste, in the Cambrian Shield. Let's say that is the best site in the world to store. Would that change the Minister's attitude towards storing nuclear waste in Manitoba?

HON. G. LECUYER: Mr. Chairman, the member is using the word "store." Prior to having said that, he also made the remark that Manitoba is not the province where large amounts of high-level nuclear wastes are used or produced. They're not used as part of our electricity-producing facilities which are the major producers of high-level nuclear waste.

The amounts we have now are amounts that have been produced primarily, almost totally, at the research centre in Pinawa and they are stored there. They can continue to be stored there probably for centuries — many, many centuries, at the level they are being produced — without creating any great problem, and it's certainly better being stored there than being disposed of in a permanent way which we know not of, in terms of safety, at this point in time.

Having said that, going onto the other remark made by the member in regard to "if," if it could be shown that this was the safest place in Canada to store nuclear wastes, I don't know how this will ever be shown because, as I said, since we're not the major producers of it, it would mean therefore that these would have to be transported from somewhere else. The transportation of it, in itself, is a factor that certainly can affect environment and safety.

Having said, if Manitoba could be shown to be the safest place, Manitoba is, in very many respects, especially when you're referring to the Canadian Shield portion of Manitoba — well there are other provinces that have much larger surface area of Canadian Shield than Manitoba has — so in this respect if it can be shown that it's highly safe in Manitoba, it can be shown that it's just as highly safe in those other provinces, especially Ontario, which is almost totally covered by the Canadian Shield, and which by the way is the major producer of these wastes. So if indeed it can be shown that it's safe to be stored in the Canadian Shield, then automatically, it's official, we have shown that it's safe to be stored in Ontario.

MR. E. CONNERY: If we're talking about nuclear waste, what is the research that's going on at Pinawa now as the disposal of nuclear waste? There's some activity going on in conjunction with the United States.

HON. G. LECUYER: Mr. Chairman, the research that is taking place, in terms of disposal, is taking place at

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Lac du Bonnet versus Pinawa. Pinawa is a research station but it researches the use of radiation in many, many fields, whether it be in medicine, whether in terms of food conservation or cereal treatment, etc., so that is a station where pure research is taking place.

What is taking place in Lac du Bonnet is an underground research in crystal and rock, to try to determine or to obtain a greater amount of data in terms of how this type of rock formation might be, what we might get in terms of information to be able to evaluate the degree of safety that could be assured if high-level nuclear wastes were disposed of in such vaults underground. The involvement of the United States in that particular underground research for disposal involves deepening the shaft, so that instead of getting that type of information only at the level which had originally been proposed, we can get the same type of data at double the depth. So they measure, for instance, hydrology, the flow of water, the heat, the reaction of rock under temperature. They will assess, for instance, the faults and cracks in the rocks.

I wish to also clearly put on the record that according to the provisions of the lease under which they operate for 20 years, they are not to use any actual radiation as part of that research underground.

As far as the United States' involvement, although there is some form of agreement, this can only be ratified once the federal environmental screening process has taken place and shown that it will not violate the existing lease or create any environmental impacts which would be detrimental to Manitoba.

MR. E. CONNERY: Are you saying the American Government isn't participating at this time?

HON. G. LECUYER: Not yet, no.

MR. E. CONNERY: Did the Provincial Government lease more land for doing bore hole testing to this same group in the area?

HON. G. LECUYER: This does not involve leasing the land. It's Crown land, which involves a permit or licence, a licence to actually perforate the rock formation in order to study the movement of water underground.

MR. E. CONNERY: It doesn't make sense to me, in any experience I've had, to do testing in an area where you don't plan on having a nuclear storage site. If they're going to do it in Alberta, wouldn't it make more sense that the research is within their rock formation? I can't see the rock formation being identical. It just doesn't make logical sense that we'd be doing — I don't mind the research being done if you want to make money doing it, but, logically, the end result would be that there would be a nuclear storage site there.

HON. G. LECUYER: The research is part of parallel components of that research also taking place in Ontario, research which has taken place in other spheres in the United States and in other countries of the world. There are agreements which exist between Canada and these other countries whereby the results of this research will be shared with the participating countries involved.

The research is taking place in crystalline rock formation which you find in the Canadian Shield, and you know, as I do, that that type of rock exists over a large part of Canada and the Northwest Territories; therefore, the information that might be derived could have application elsewhere.

My feeling is that if you have extensively or fully done all that is necessary to carry on your research, including the bore holes, etc., you have probably created sort of a Swiss cheese effect which makes that area unusable for eventual disposal of high-level radiation.

MR. E. CONNERY: We were in the acid rain just before we moved completely away from it. We're going to reduce the level to 550 kilotons. What percentage or what purity are we asking our mining companies to go to? Is it a higher purity for the amount of material processed compared to other plants in other parts of the world or North America?

HON. G. LECUYER: I'm not sure that I understand the gist of the question. When you're talking about purity, you're talking the purity of the product?

MR. E. CONNERY: For the amount of product processed, what amount of emissions can they have? There has to be a correlation.

HON. G. LECUYER: First of all, let me say that the other provinces of Canada, especially all provinces east of Manitoba, and including Manitoba, are also part of this agreement to reduce emissions.

As far as in terms of the amount, the quantity of emissions is related to the type of ores that you use, and some of it has greater quantity of sulphur even, for instance, in the Thompson area, depending on which site is actually being mined or where the ores actually come from. You have, for instance, the surface pit, which they're now in the process of operating from, versus some of the stuff they get underground, for instance, which will have different percentages of sulphur in it.

The process whereby it is removed is in the smelter operation through a pyrrhotite rejection process. The amount of emissions, therefore, is reduced before it comes out of the stack through these various processes and, to a certain extent, you have to remove more or less depending upon the ore that you're dealing with.

I don't know if I've made myself clear on that.

MR. E. CONNERY: I know what you're saying, but are we asking for a different purification than other companies in other parts of North America?

HON. G. LECUYER: I see. I can't speak in regards to the United States, but, to a certain extent, it's less restrictive than it is, for instance, in Ontario and Quebec where, for the reason, of course, that they are the ones that are being impacted most presently from their own operation and from acid rain coming from the United States, and have already suffered significant impacts from the past years of deposition of acid rain. Manitoba's emissions and the environment is less sensitive to the level of operation we have.

In a sense, the 550 kilotons that we agreed to will be less restrictive on these operations than it would be, for instance, in Sudbury, or Noranda in Quebec.

MR. A. KOVNATS: I think we could pass this one because we can carry on with the discussion in more detail when we get to Environmental Management.

MR. CHAIRMAN: 1.(d)(1)—pass; 1.(d)(2)—pass.
1.(e) Financial and Administrative Services — the Member for Niakawa.

MR. A. KOVNATS: This one provides financial, personnel and operational support services to the department. Is this the group that collects the fees and the costs and the fines that come with the breaking of the law? Do we have an auditing system that looks after these kind of funds that come into the department?

HON. G. LECUYER: The department doesn't collect any fees and prosecutions take place. When they do, through the Attorney-General's Department, the department itself receives no funding in that regard.

MR. A. KOVNATS: Also this department manages support services such as inventory, vehicles, office space and equipment, telecommunications, word processing services, things of that nature. Does this department do the actual tendering or do they have another department do the tendering for the services that I just mentioned?

HON. G. LECUYER: If the member is referring, for instance, to the various areas that are administered by this section, such as vehicles or equipment or electronic materials or supplies and what not in that regard, that is all done through Government Services, government-wide, and it's not the responsibility of the department to tender for various purchases that are made in this regard.

MR. A. KOVNATS: That pleases me because I know that there's been some discrepancies in tendering practices in other departments rather than in this department and I just wanted to see that this department was following the correct procedure and the responsibility is with Government Services, and I accept that.

Feasibility studies: This department undertakes a feasibility study pertaining to word processors and things of that nature. Why would we have that as part of the duties of this department to go through feasibility studies as to word processing systems, computers, electronic typewriters and things of that nature? Why wouldn't Government Services be the one to look after that because Government Services look after the tendering of other equipment? Why would this department accept that responsibility, or are we hung up on feasibility studies on all different aspects in this department?

HON. G. LECUYER: The feasibility studies or evaluations referred to are strictly internal, for instance, and as a requirement in order to show to be able to justify that, for instance, the purchase of a word processor is required. I think the member would want us to be conducting evaluations afterwards to determine whether not only we could justify it before it was purchased, but also whether we can justify its use and

continue to evaluate the effectiveness of its use once it's in place.

When it is not shown that it is cost-effective to continue using a particular piece of equipment in place, the member would not want us to continue to use it as well, but we can only find that out through ongoing evaluation in terms of how beneficial and cost-effective it is to the department to continue its use.

MR. A. KOVNATS: Mr. Chairman, can the Minister advise whether there is a particular staff that looks after this particular part of the department, or is it staff that look after this and other duties?

HON. E. LECUYER: That falls primarily under the director of the department. There's a total of 16 staff in 1986-87 in the Financial and Administrative Services Branch and that, by the way, is one less than in the previous fiscal year.

To be more specific, for instance, there's staff — if I just run a few examples, for instance — as well as the director; there's a manager of personnel; there's the coordinator of financial and support services; legal inventory clerk; there's a systems analyst; payroll personnel clerk; word processor operator, etc., etc., as well as the secretarial support staff in that particular section.

MR. A. KOVNATS: I'm going through a learning process here also, where you have your own payroll, that you manage your own payroll. Who signs the payroll that comes out of your department?

HON. G. LECUYER: We do the paper work. Finance gets to sign the cheques and issue them.

MR. A. KOVNATS: Okay, I just wanted to establish that. I think we can pass this . . .

MR. E. CONNERY: Is this the department you compare the annual detailed estimates? Is this the department responsible for not having the annual report ready?

HON. G. LECUYER: I'm forever looking on who to put the blame. I guess I have to take some of it myself. I'll throw some to my deputy and spread drops of it on to everyone else in the department. As I said, the difficulties are not altogether difficulties that we could have overcome because of some of the constraints that I've expressed during my opening remarks; some are technical as well.

MR. E. CONNERY: I think, Mr. Chairman, the Minister should recognize that this is a very late sitting of the House and any problems that arose should have been overcome in that period of time. I'm sure every different department doesn't undertake feasibility studies pertaining to word processing systems, computers, electronic typewriters, copying equipment. If every department had somebody looking at all of these pieces of equipment, to me that is terrifically inefficient. There must be a central clearing warehouse or clearing office that advises on what pieces of equipment to purchase.

I find this particular department of 16 people, for what they do, and one of the lines says to process

payroll for 290 staff. If you're not on computer, there's something wrong, and staff that are on the same wage when you have to use that sort of a line as to justify what 16 people are doing, I find that this department is pretty thin on work to do. Mr. Chairman, I understand payroll and so forth.

HON. G. LECUYER: For the member's information, this is a requirement for every department, not only for ours. As far as our department is concerned, that particular type of function represents one-quarter of one staff year and, therefore, when you consider, for instance, the costs and the quantity associated with new technology, it's money well spent. Justification that might apply in one department, depending on how it's intended to be used, may not be justification for another department. In that regard, it's a requirement imposed on all departments.

MR. E. CONNERY: Is that a new requirement or how long has this requirement been in place?

HON. G. LECUYER: Since I'm Minister, I know that it's a requirement. It's about the time that it came into place, so maybe there was a link between the two. As I came in place, maybe they thought that I was going to be one of those that would go overboard, so they passed it on me and everybody else.

MR. E. CONNERY: I have found another way to cut the deficit. Thank you.

MR. A. KOVNATS: Mr. Chairman, the Minister has advised that the annual report is at the printer as of now. I wonder whether there's a rough copy that we could see before we close this department, just in case there's something in it that might be pertinent to the investigation of this department.

HON. G. LECUYER: I don't know if I said it was at the printer. It's at the final stage before going there; it's actually at Translation. But in answer to the question the member makes, I have no problem to sit down with the member and go over my scribbled copy of the draft that's gone to Translation.

MR. CHAIRMAN: 1.(e)(1)—pass; 1.(e)(2)—pass.

The time being 4:30 p.m. it is time for Private Members' Hour. I interrupt the proceedings and will resume at 8:00 p.m.

SUPPLY — HEALTH

MR. CHAIRMAN, C. Santos: Committee of Supply is now in order.

Deferring Item No. 1.(a) relating to the Minister's Salary, the committee's consideration will commence with Item No. 1.(b)(1) Executive Support, Salaries — the Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, we're on 1.(b), I take it?

MR. CHAIRMAN: I just announced that we are deferring the Minister's Salary as the last item for consideration,

and we are now on Item 1.(b)(1) Executive Support, Salaries — the Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, I haven't got my list of SMY's, and I hope my deputy critic might have that with her. I believe it's seven in this line, is it not?

MR. CHAIRMAN: The Honourable Minister.

HON. L. DESJARDINS: Yes, correct, the same as last year.

MR. D. ORCHARD: Okay. Mr. Chairman, the SMY's and executive support are for the Minister's office and the Deputy Minister's office, and presumably would include secretarial complement. Can the Minister indicate how many special assistants, executive assistants, media assistants which may be part of this seven staff complement?

HON. L. DESJARDINS: I have one special assistant, one executive assistant, one administrative support, and four secretaries, and I have no press secretary.

MR. D. ORCHARD: You mean the Minister doesn't have a media communicator that we can vote to remove the salary of, because he doesn't need it and gets good press without it?

HON. L. DESJARDINS: I didn't say I didn't need it and I don't know about the good press, but I haven't got one.

MR. D. ORCHARD: Can the Minister indicate whether there might be one buried elsewhere in the Department of Health or the Manitoba Health Services Commission?

HON. L. DESJARDINS: He or she is well buried, because I haven't found them.

MR. D. ORCHARD: Well, that is good, Mr. Chairman.

Mr. Chairman, I believe this would be the appropriate place in the Estimates for us to reconcile the amount of dollars that were Special Warranted last year to fulfill the funding obligations of the Department of Health for fiscal year ending March 31, 1986.

Could the Minister provide us with the amount of supplementary in Special Warrant funding? There was just Special Warrant funding, I believe, because there were no Supplementary Estimates. Could the Minister indicate the value of the Special Warrant that applied to the Department of Health? If he could give me a breakdown, all I'll need for the time being is a breakdown according to the eight major appropriations as to where the additional funds were earmarked by appropriation.

HON. L. DESJARDINS: Mr. Chairman, of course it's understood we're not dealing with the Commission at this time, just with the department. It would be only under Continuing Care, Page 88, (g)(3) — in other words, it was Home Care — and it's \$1.1979 million.

MR. D. ORCHARD: Mr. Chairman, what was the total value of the Special Warrant last year?

HON. L. DESJARDINS: That's it for the department. I'm not talking about the Commission.

MR. D. ORCHARD: Mr. Chairman, the department's Special Warrant was \$1.2 million in rough figures. That means that there was then — okay I'll pose the question. Was there only the one Special Warrant on February 7, 1986, for \$39.1477 million?

HON. L. DESJARDINS: Mr. Chairman, no, I'm told that this went in by itself for the department, and my honourable friend is probably referring to a Special Warrant for the Commission that we'll deal with when we reach the Commission.

While I'm on my feet, I've got all the papers here I know you want.

MR. D. ORCHARD: What are you going to table?

HON. L. DESJARDINS: I just want to give you now, so I won't have to hold it, two copies of each. I've got salary and staffing for the AFM, and I know we're not dealing with that now. I'll give you two copies, one for Bonnie, and the Manitoba Health Services Commission also, the same two things.

MR. D. ORCHARD: Mr. Chairman, I realize that we're not dealing with the Manitoba Health Services Commission, but I would like to — since we're dealing with the Minister's office and he has responsibility for the entire department including the Manitoba Health Services Commission. His Deputy Minister is not only the Deputy Minister of Health, but is Executive Director of the Manitoba Health Services Commission, and his salary is included in here. I just want to find out if there is only the one Special Warrant to include the whole department, whether it be any one of the first six appropriations or Appropriation 7 or Appropriation 8 related to capital, whether the only Special Warrant that was issued for the Department of Health was in an amount of \$39.1477 million?

HON. L. DESJARDINS: Mr. Chairman, I want to assure my honourable friend that we're not trying to hide anything, but we haven't got this information at this time. We're justified also, because my honourable friend wanted to talk about the Deputy Minister, and his salary is not here anyway. It is under the Commission. It doesn't matter. We'll try to give that to the House and my honourable friend, so he can be ready with the information before we start dealing with the Commission, but we can't give it to him today.

I want to make sure that we get the question, though. The total Special Warrant in Health, apart from the one we gave you today under the Commission. That would cover it and, if there's anything under the Alcoholism Foundation, we'll get you that too. Okay, we'll give it to the honourable member as soon as possible so he can have it ready when we start with the Commission.

MR. D. ORCHARD: Mr. Chairman, the Special Warrant in Continuing Care that the Minister indicated, could the staff provide him with the date on which that was passed, and that would let me know whether it was part of the total? Have you got that? You don't have that now?

Mr. Chairman, since the Deputy Minister's salary is not here in the \$201,000 appropriation, is he one of the seven staff positions?

HON. L. DESJARDINS: The staff of the Deputy Minister is there, but not the Deputy Minister. As my friend knows very well, he's also the Executive Director of the Commission, and his salary would be under the Commission as Executive Director. I hope that it doesn't give you an idea of his worth, but I've got a Deputy Minister for nothing. I save a salary.

MR. D. ORCHARD: I would never comment that the Deputy Minister was worth what he's getting paid in this appropriation. The Minister might want to.

Mr. Chairman, the seven positions that we have here include the support staff in the Minister's office and the Deputy Minister's office. The area that is curious to me is that, in calculating percentages of increase last year over this year, it's 1.7 percent. If you go to other departments, most of the lines in the Estimates on Salaries are ranging in the neighbourhood of 8 percent where there's no staff change. Has the Minister replaced some staff at a lower salary or, what is the reason for 1.7 percent here, and over 8 percent in other appropriations?

HON. L. DESJARDINS: I think I have the question. The situation here is a little different. You've seen that I got quite an increase; I got quite a promotion from \$9,000 to \$20,000 as Minister. Actually what happened is I was getting half of my salary from Urban Affairs

MR. D. ORCHARD: That's not what I'm asking about.

HON. L. DESJARDINS: Aye?

MR. D. ORCHARD: That's not what I'm asking.

HON. L. DESJARDINS: I didn't think you were. You wanted to know why the 1.7, why the small amount; in fact, it should indicate the other way then. Are you talking only about 1.(b) now?

MR. D. ORCHARD: (b)(1).

HON. L. DESJARDINS: Oh, (b)(1), the Salaries, 197 to 201; it's all salaries so I would imagine that there are some people that have been at the top of their bracket, that's the only answer, that there's no increment when people are at the top, or they were brought in, no, they are not the highest paid people.

MR. D. ORCHARD: Mr. Chairman, in our ongoing drive to help this government efficiently spend money, it just stands out as a dramatic example of leadership in the Minister's and the Deputy Minister's offices to have only a 1.7 percent salary increase, whereas most other lines, for instance, Administration and Financial Services (e)(1), the salaries are up 8.4 percent, Research and Planning are up 8.1 percent; and you can go through and you find a general trend of 8 percent-plus. That is a significant amount of money in each case, not so much in this particular appropriation, but I was hopeful

that there would be a reason for the 1.7 percent that could be emulated in the other appropriations and we would save this Minister a considerable amount of money to put into programming in Mental Health, Continuing Care and the Hospital line. But the Minister seems to be indicating that there is no leadership there; it is a fluke that we are only getting the 1.7 percent. Well, we just have to accept that.

Mr. Chairman, I'd like to ask the Minister . . .

HON. L. DESJARDINS: You said that, I didn't. I didn't say there was no leadership.

MR. D. ORCHARD: Oh, well the Minister says from his seat that he believes there is tremendous leadership there and that's why he's paying them 1.7 percent more.

Mr. Chairman, can I ask the Minister where Mr. Poushinsky fits into the department? He was recently hired, I believe — I haven't got the date of his hiring — where does Mr. Poushinsky fit into the departmental organization?

HON. L. DESJARDINS: Mr. Chairman, the staff years for Mr. Poushinsky and the analyst will not be found anywhere in here at all. This was something after this was prepared, but the funds will have to be taken from within. This time we're not asking for additional funds; there won't be any extra requests for funds for the . . .

MR. D. ORCHARD: Mr. Chairman, the Minister is saying that — and I wish I would have brought that Order-in-Council along — but I think Mr. Poushinsky's salary was in the neighbourhood of \$60,000 if I remember correctly. Did the Minister indicate that he has some support staff that he will be hiring as well? Did I gather that; two support staff?

The Minister is indicating that there will not be any additional funds. They will be found, presumably, from some of the vacancies or whatever within the department. The department is going to have to pick up the funds; they're not going to ask for additional vote.

HON. L. DESJARDINS: Right.

MR. D. ORCHARD: Can the Minister indicate, then, is Mr. Poushinsky working out of the executive support line through the Deputy in his office or what group is he working out of?

HON. L. DESJARDINS: He would be exactly where we're at now, in my office. The three staff would be in that office. Mr. Poushinsky did not get an increase in salary; it's a lateral promotion, Senior Officer 3. The analyst is somebody that was seconded from here, and there will be one support staff.

MR. D. ORCHARD: The analyst that was seconded, was that seconded in-house from the Department of Health?

HON. L. DESJARDINS: From the Premier's Office.

MR. D. ORCHARD: Oh. The Minister indicates that the analyst was seconded from the Premier's Office. Could he indicate who the analyst is?

HON. L. DESJARDINS: Yes, Ginny Devine, at my request.

MR. D. ORCHARD: Now, Mr. Chairman, the Minister indicates there is not going to be any Special Warrant or any increase in funding for this, it's going to be funded internally within the department. Could the Minister indicate whether this is viewed by him as a permanent establishment within his office and the Deputy Minister's office, so that next year we might well see an additional three staff allocations to cover Mr. Poushinsky, Ms. Devine and, theoretically, one support staff, in that it will be properly accounted for within the line of the Estimates next year? In other words, it's intended by the Minister to be a permanent position within his department?

HON. L. DESJARDINS: In the sense that you use permanent, yes. It could be a question of permanent and then redirected somewhere else in a few years, when most of the reforms that we hope will be necessary will be made. Yes, it would have to show there.

Now there's two things: either we would have to convince Treasury Board to give us the three staff years, or they would have to be reduced somewhere else. I don't want to mislead; I stand to be corrected. We have the three staff years but we don't have the money, that's the situation.

Next year I guess you'll have to see, we might be in the same position, except the three staff years would be shown — you'd see ten instead of seven, but we might not have any more money. That I don't know, there's no commitment. We'll certainly have money to pay them, but it might be reflected by taking it out of somewhere else.

MR. D. ORCHARD: I'm not going to get into semantics of the Estimates book, but that would not be a proper way to show expenditures if you add an additional three . . . I would say that if the Minister increased his SY's to ten, he would likewise have to increase the budget so it would show. Otherwise, we're shooting in the dark.

Mr. Chairman, the Health department is rampant with rumours, of course, as the Minister may or may not know. But would the Minister be contemplating a suggestion that has been bounced around for a number of years of separating the role of Deputy Minister and CEO, or Executive Director of MHSC, and possibly Mr. Poushinsky? We might find him as a Deputy Minister next year with the appropriate salary allocation, and Mr. Edwards, possibly, as Executive Director over at MHSC.

HON. L. DESJARDINS: Be ready to debate that when we start the Commission, but I would be the most surprised person in the world if that happens. We have no intentions of that. There's nothing hidden there at all. He was hired to do a certain job and that's what he's going to be asked to do.

MR. D. ORCHARD: Well, you know, Mr. Chairman, I only mentioned it because it has been bounced around, and I'm pleased with the Minister's response.

Mr. Chairman, I think that, for instance, in the Other Expenditures, just a brief question. Does that include

any expenses the Minister might incur in terms of his travel and the Deputy Minister and some of his support staff? Does that represent the Other Expenditure line?

HON. L. DESJARDINS: It's the expense of the Deputy Minister for the department; he travelled for the Commission. We'll have that with his salary later on, and it's the expenses for all that staff, including the three new staff that I have that we're not asking for any more money, and my expenses also. — (Interjection) — Oh, the Hospitality Grants also.

MR. D. ORCHARD: Mr. Chairman, Mr. Poushinsky, and I don't recall exactly where he is currently working in government, but the Order-in-Council indicated that he will be heading up sort of a . . .

HON. L. DESJARDINS: Social Resources Committee.

MR. D. ORCHARD: I'll let the Minister explain what he's going to do.

HON. L. DESJARDINS: Mr. Poushinsky was the Secretary-Director of the Social Resources Committee of Cabinet. That's where I got him from at my request, and the analyst also was working in another capacity, and I requested her transfer and I received that.

MR. D. ORCHARD: Mr. Chairman, what is it that the Minister is hoping to have Mr. Poushinsky and Miss Devine and the support staff accomplish for him in his office? What are the targets that this three-person group will be working towards?

HON. L. DESJARDINS: I was expecting those questions at the Commission but I guess that, especially if these people, their salary will be provided for and their expenses, and there I guess it is the right place and of course it is not only the Commission that will undergo changes. It'll be some of the departments also I would imagine. This is to coordinate, we haven't got the luxury — I'm talking strictly about staff now. I'm talking about the staff who have been working on any changes and looking at the review that we have and in looking in the direction in preparing some presentation.

That'll be our first responsibility, to prepare a kind of a plan for Cabinet, for approval of that Cabinet, and I had intended to get in touch with my honourable friend. Once it's approved by Cabinet, it would be a visual presentation that we would be very pleased to involve him or anybody that he wants in his caucus.

Talking about the staff now, what we've done, we have myself as Minister, the Deputy Minister, the Director of Planning, the ADM of Community Health, and Associate Executive of the Commission; that has been the group that have been working together. Now, we all have a responsibility besides that, we're not leaving that. To coordinate, we also kept what was known as the Review Committee; I've asked them to remain but with some slight change. Now, it would be as an advisory committee to the Minister. They've accepted and they will review some of the critique that we're getting from hospitals or the MMA and all those people from that report that you have.

Now we've got to start to translate that as my honourable friend admonished just last Tuesday, to see

if this could be translated to changes that will as much as possible keep the standards where they are or improve them, and then cut down on the cost, and looking at the future also to make some of these recommendations. And Mr. Poushinsky's responsibility will be to coordinate that, to work with us in the advisory committee. There's a possibility, we're looking at the idea of getting, maybe try to get some people qualified and independent, not as full-time people, people that will work with us as idea people and so on, also to work with this committee of staff and liaise with this advisory committee.

What we're trying to do and it's I think the first time — there's no model to follow — that we know it's been done, we're trying to involve all the people in the health field, anybody that has any contribution. I don't mean every individual but any group, anybody that has a contribution to try to bring these changes that we feel are surely needed. So that'll be the responsibility of Mr. Poushinsky. There'll be an awful lot of meetings with different groups to coordinate between the different segments that I'm talking about. He would be what I call the — you'll like this — I was going to take the credit for that, but it was suggested to me that we call it the Action Team or the A-Team. That'll be the staff, and Mr. Poushinsky will try to coordinate the A-Team with the advisory groups.

MR. D. ORCHARD: Are you Mr. T?

HON. L. DESJARDINS: Well, after I get my hair cut.

MR. D. ORCHARD: Mr. Chairman, the A-Team is an interesting analogy for — (Interjection) — If the Minister was Mr. T. and had his gold necklace on, he might make quite an impression.

Mr. Chairman, the responsibilities, as the Minister has outlined for Mr. Poushinsky, seem to be fairly substantial because we're talking about presumably doing an implementation program based on maybe such diverse research documents as Manitoba Medicare, certainly the Health Services Review Commission and the 16 subcommittee report.

Now, and I offer this as a comment, the Minister may want to respond. When I asked the Minister whether the rumour mill that Mr. Poushinsky was being earmarked as the Deputy Minister, the Minister indicated that he didn't have, in his estimation, the qualifications to undertake that level.

HON. L. DESJARDINS: I thought you said Deputy Minister of the Commission.

MR. D. ORCHARD: No, there is no Deputy Minister of the Commission; there's a Deputy Minister of the Department of Health. — (Interjection) — If the Minister misunderstood what I was saying, then maybe I should give him a chance to clarify. The question I posed to him was whether Mr. Poushinsky is being moved into this position in anticipation of assuming the role of Deputy Minister of Health.

HON. L. DESJARDINS: I am very pleased that I see that I did misunderstand the "Commission." I thought my honourable friend stated that there had been

rumours that we would do away with the Commission, and that we would need a Deputy Minister or somebody to head that. That's what I understood, and that was the answer. The answer would be correct, the answer that I gave.

Now, as far as the Deputy Minister, he is new in this group; I can tell you that he has not — that has been done before. But these people who are new with the department, but that he was chosen because we felt that he had good judgment, he was good at working with people and so on. There wasn't a thought given to that at all, and I would imagine if that is done it probably will be somebody else because I hope my Deputy Minister will remain for the few years that possibly I'll remain in this job. If the rumours are started, anybody can start rumours, there's been no indication of that certainly, no discussion of that.

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

1.(c)(1) Research and Planning, Salaries — the Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, the Minister and I from to time have prolonged discussions on his research group. Could the Minister indicate who are currently filling the 11 positions in the Research and Planning line in the Estimates?

HON. L. DESJARDINS: There is the director, Mr. Pascoe. There's an assistant director, one senior economist, one senior analyst, four program analysts, one administrative officer and two secretaries. There's one vacant position. There are Lucienne Stadyk, Barbara Millar, Dennis Roch, David Pascoe, Kathleen Scherer, Jennifer Clinch, Janice Weedon, Brian Gudmundson, Diane Karpenic and John Kenny.

MR. D. ORCHARD: Mr. Chairman, is that essentially the same personnel that was there last year?

HON. L. DESJARDINS: Exactly the same as last year.

MR. D. ORCHARD: Mr. Chairman, in general terms, the department has undertaken their primary research into the health care system through this directorate, the Research and Planning Directorate. Directorate may not be the right word, but Research and Planning shop here. Can the Minister indicate whether all of the research is being done in-house by the 10 of the group that is currently there and, in addition, whether the Research and Planning group have contracted out any research projects?

For instance, I guess it was a year-and-a-half ago Manitoba and Medicare was farmed out to Professor Evans. Has the Research and Planning got any research contracts on the go right now with outside consultants or outside experts?

HON. L. DESJARDINS: I'm not as young as I used to be. I wonder if I could bank some questions, unless we move into the committee. But no, we're not. We haven't any contracting out at this time.

MR. D. ORCHARD: Mr. Chairman, presumably a substantial amount of time was taken by the group in

the last, oh I suppose, 15 months, 12 months for sure, in which the Health Review Commission with the 16 sub-committees was undertaking its work. Is it fair to say that was the major research done over the past fiscal year, or were there other reports that the Minister might have that will be made available to the people of Manitoba and certainly I would hope, to ourselves, so that we can get a handle on where the research is determining problem areas and areas for suggested change?

This was the project two years ago basically. It wasn't in-house, so that other projects were ongoing. But the analysis made in some of these reports are pretty beneficial in pointing out where our problem areas are.

My question was: was the majority of the research centred around the 16 sub-committees and the subsequent multi-volume report on the Health Review Commission? If it wasn't centred solely on that, what other projects were undertaken in the last year, reports of which might be made available to members opposite, myself and the general public?

HON. L. DESJARDINS: No, Mr. Chairman, that is very little, except for the director himself who chaired that committee, and Mr. Gudmundson who was the secretary of that committee and did some work on that. The others had very little to do with that. There were many, many other individual projects and so on. I don't think I could give you the list if I tried. We certainly can give you some examples.

They were also working on many committees that we've had, either committees with other provinces, with the Federal Government and so on. So there was a lot of work like that. An example, for instance, we've been working, looking at the community clinic and so on, so that would be an example, what should be a community clinic, what kind of services and so on, and working with different people. There have been studies for the early discharge at St. Boniface Hospital. I could say hundreds of studies like that, individual things.

My honourable friend also stated, I think, that it would be helpful if we can identify the problems. I would suggest that maybe we can discuss that together at some time, and see what could be helpful. I can't make any commitment at this time. It's so vague. I wouldn't mind sharing with the people interested, always considering also the offer of help that I received from my honourable friend last Tuesday of sharing with him some of the documents that are considering in-house and so on when we have something to go by that we can share with him, with the understanding that those are working documents and not government policies.

MR. D. ORCHARD: Mr. Chairman, I think that would be an offer that would be graciously accepted because, even though we may get into our bickers and fights when the Minister makes mistakes, the overall goal that we're after is to try to improve health care in Manitoba.

Mr. Chairman — (Interjection) — you always make mistakes. The Minister says he never makes mistakes. He made a mistake in the Home Economics Directorate, which we had to correct him on and put considerable pressure on him. The Minister frequently makes mistakes. It's only human to err, Mr. Chairman. You've made speeches on that, as a matter of fact.

MR. CHAIRMAN: I don't like to enter into discussions, but the Minister made a mistake by making a statement that he doesn't make mistakes.

HON. L. DESJARDINS: I resent that very much.

MR. CHAIRMAN: I apologize. I tried to be neutral, but the member . . .

MR. D. ORCHARD: Mr. Chairman, I think there's a challenge to the Chair here. Should I let this go on?

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Chairman.
The Report of Manitoba and Medicare . . .

HON. L. DESJARDINS: Can we wait for a minute here on that?

MR. D. ORCHARD: This report was put out by your Research and Planning Directorate. Mr. Chairman, what my question is to the Minister, and I've got a series of questions coming out of the report which deals with only his shop, theoretically, of Research and Planning, can probably head man the kind of analysis that I believe is necessary to determine why certain occurrences are part of our Manitoba health care system.

For instance, on Page 29 of the report, and I'll quote to the Minister for the record: "Table 3.2 indicates why Manitoba hospital costs have not fallen, even relatively. While utilization of general and allied special hospitals was falling, costs per patient-day and for separation were rising rapidly. Manitoba's costs per patient-day grew 25.8 percent faster than the national average from 1971 to 1982-83. This relative growth was slightly faster in the more recent years. Over the whole 1966 to 1982-83 period, while patient-days per capita fell, 17.3 percent relative to Canada, costs per day rose 29.65 percent. In consequence, costs per capita in Manitoba rose 7.73 percent faster than in the rest of Canada."

Mr. Chairman, that analysis by Professor Evans puts to the elected people, to government, to the Minister of Health, to his planners, a very interesting challenge. Clearly, according to statistics that he's developed, our per capita costs in our hospital system are rising more rapidly than the rest of Canada.

I ask the Minister whether Mr. Pascoe's shop has attempted an analysis, based on the revelations from this year-and-a-half-old report, or year-old report, say, whether they've done further analysis to determine what factors influenced that statistic that I just read out, that set of circumstances I've just read out? Because I think the Minister can full well appreciate that when you take a look at a hospital line which is now going to be in excess of \$644 million, and statistics are telling us that for better than a decade our costs rose 7.73 percent faster than the rest of Canada, and that our cost per patient day grew 25.8 percent faster than the national average, if in analysis of why, and bringing our system in Manitoba more comparable to the circumstances in other provinces there are substantial dollars at stake, substantial dollars that the Minister and all of us know are needed for deficit reduction, for increased

improvement in services to prevent us from having our credit rating downgraded, because all of these factors fit together and impact on our future ability to deliver quality medicine in Manitoba.

So I wonder if the Minister has had the Research and Planning group undertaking analysis in comparison with other Canadian jurisdictions to see why Manitoba has those sorts of statistics in terms of our hospital costs.

HON. L. DESJARDINS: This is what I was talking about last Tuesday, Mr. Chairman, that we felt like we needed this information. We knew there were a lot of problems and that is why we started with this.

This is a document, this is a working document, some statistics and facts that we have in front of us that we will have to do exactly what my honourable friend is saying, to see why and the conditions. Before that, there is another step also, that this has been given to other groups, and some of those statements obviously are and will be challenged.

This is the next step that we'll have to do now. First you identify the problems, then you find out the reason why they have these problems and then the last thing and the most difficult thing is to take means and maybe a change in legislation or a change in direction that will enable us to correct that as much as possible.

Obviously, all that work is not done; that's what we're going to start now. So this, as I say, is facts that we have in front of us; it's not something that I intend to defend. I didn't participate in preparing this document, this research. This is something that the authors of this report will have to answer with the people during this next exercise.

To go into a little more detail, I can talk in general about some of the work that was done by our people, but when we're going to talk, I think it would be unfair to start getting all the problems with the hospitals and so on at this time when we're not even at the Commission. I'm not saying we're going to have all the details and all the answers at that time, but I think, with the proper staff also and the proper information and documents, we might be able to add more information.

I took the offer of my honourable friend very seriously. We've joked around quite a bit, but I think it is imperative that they do that. I wouldn't be ashamed or embarrassed to work with the Opposition on some of these things and I think that is needed. I think, as we prepare the guidelines or the drawings for the future and so on, we will have to look at those things and that's going to be the next step and that is exactly why we hired Poushinsky. This is to coordinate that and to get this information to either refute that or prove that or get the information and try to get the reason why it's done.

I would say that this, of course, was looked at by the different sub-committees of the review committee. The review committee also was given this information. That was the first document that they received when they set up their sub-committee and started working and they were apprised of the statistics and some of the concerns that were given in that document.

MR. D. ORCHARD: Mr. Chairman, I really appreciate what the Minister is saying, but I have to tell him that

I believe, after reading portions of the Manitoba Medicare, that would be one of the first priorities, not to start today, but this report is now 14 months old, and because there are so many dollars, and we had this discussion at the Estimate time last year when we were in this very section because at that time, of course, Manitoba and Medicare was a very topical area of discussion, the warning signs, and that's maybe not the right kind of a word, but for lack of better terminology, there are clear indicators in this Manitoba and Medicare that's now 14 months old, or whatever, that Manitoba's costs are substantially higher in almost all comparable methods of statistical comparison than the rest of Canada.

I'll quote another section from Page 29 which says, and these are results in Table 3(2) again, "Cost per patient-day in Manitoba adjusted for general inflation" — adjusted for general inflation — "rose 30.91 percent from 1976 to 1982 or 4.59 percent per year and twice the national average."

You see, Mr. Chairman, when we are searching desperately for methods of attempting to get a handle on costs to control rapid expenditures, the Minister has used the analogy on numerous occasions that simply carrying on with our existing spending patterns — and I think that was a speech that was written by Mr. Pascoe for him — that if we continue on our current rate of expenditure, that by 1994, I think it was, that we would have a \$3.2 billion expenditure in the Health Services Commission alone.

Given that warning — that warning came more than 16 months ago, I guess, or 15 months ago or 18 months ago — and given that Manitoba and Medicare has been out and shows such things as in Table 3(4) that our cost per patient-day, for example, in general and allied special hospitals is \$286.30, where the Canadian average is \$246.50, that is a \$40 per day difference in cost; and when we go to other comparisons, in teaching hospitals where we apparently, according to Manitoba and Medicare, are really significantly above the national average because the general and allied special hospitals appear to me, unless I'm incorrect, and Mr. Pascoe could provide the Minister with the proper answer, but we've got the statistical breakdown in three basic categories: the general and allied special hospitals, which I presume includes teaching hospitals, so it's an average right across the board; then we go into public general hospitals which presumably are simply the non-teaching hospitals; and then we get into the teaching hospitals.

In the teaching hospitals, our cost per day, basis 1982-83, are \$402.66 per day versus \$355.76 for the national average, and that's almost a \$50 a day difference there. So when you consider the number of patient-days in the Province of Manitoba, which I think is into the millions of patient-days, something in the neighbourhood of an average of \$40 per patient-day differential between the Canadian average and the Manitoba situation on 1 million patient-days is \$40 million in our budget. That is more than the entire increase that we've allocated to the Manitoba Health Services Commission to undertake all of its operations this year. Well it's not quite, because we've allocated 51 million more. But that is only bringing the dollars on a 1.25 million patient-days, where I think we're into the several millions of patient-days in the Province of

Manitoba. An attempt to bring or to determine how we can get our per day, per capita costs down to the national average represents the Minister's projected increases for years to come. It is very, very significant.

Because I don't want to have the Minister popping up and down, I'll continue, and then maybe he can make general comments. Although, Mr. Chairman — maybe it's not a correct comment to make — but it's awful good exercise jumping up and down. It's probably the best form of exercise that one can get, and I'd like to help the Minister on an exercise program, but I'll take him on . . .

HON. L. DESJARDINS: I'll do my jumping up and down at home.

MR. D. ORCHARD: Mr. Chairman, the other chart that's very interesting is one that appears on Page 33, Table 3-5, and then the next one is Table 3-6.

Table 3-5 indicates gross salary and wage cost per patient-day in our hospitals. In the general and allied special hospitals, in Manitoba we have a gross salary and wage cost per patient-day of \$194.15 in 1982-83. The Canadian average is \$169.48.

Mr. Chairman, I think it's interesting to note that average cost for Canada would include the costs of relatively high wage areas: i.e. Toronto, i.e. Vancouver, where I believe, in terms of the nursing profession and other professions, our wage schedules are not as high as in those jurisdictions. So when you take the Canadian average, you have expensive communities, if that's the way to put it, helping to bolster that average beyond what it is in Manitoba. But yet, Manitoba appears to be some \$25 above the national average in gross salary and wage cost per patient-day.

In our teaching hospitals, that figure increases even more, because it is in the neighbourhood of \$279 per day versus \$240 per day for gross salary and wage costs per patient-day. That's an increase of \$39 over the national average. That again is very significant.

Now to factor out of the wages basically, which is the point I've just made and it's certainly clarified and agreed to in Table 3-6, where Table 3-6 on Page 34 indicates the paid hours per patient-day. Okay? For the general and allied special hospitals, we pay in 1982-83 an average of 17.02 hours per patient-day, whereas the Canadian average is 13.77. It's significantly higher; and in our teaching hospitals, again significantly higher, representing 23.18 hours per patient-day, 19.07 for the Canadian average. So we've got some four hours per patient-day higher in our teaching hospitals.

Mr. Chairman, when you consider the wage package, the hours per patient-day package, and then marry that to the cost per patient-day, it would appear to the uneducated observer — and I put myself in that category — that in Manitoba where we have 80 percent roughly of our hospital personal care home costs representing labour costs, we must be out of step with the rest of Canada in that category. It was singled out by the Evans Reports, Manitoba and Medicare, and appears to demonstrate that our costs are higher, and possibly are higher because of the costs of hired staff within our hospital setting.

So with those comments, I'd like to ask the Minister if those are areas that the Research and Planning group

are intent on investigating to get more specifics on it, because it might be quite premature to say that Manitoba's hospital costs are considerably higher than the national average because we have: (a) too much staff; or (b) staff that's paid too much for a given category. I don't believe the latter is true, given the Canadian national average, because of the anomalies of Toronto and Vancouver and Alberta centres where their wage schedules per hour might well be higher than what we're paying in Manitoba.

Certainly, it would appear from Manitoba and Medicare that is an area that deserves substantial investigation, Mr. Chairman, because there are substantial dollars which could be dedicated to providing additional services or to deficit reduction, if we even approached the Canadian national average on costs per day and salary and gross wage packages per patient-day.

HON. L. DESJARDINS: I'd like to thank the honourable member for his remarks. He was talking about the discussion last year on this document. I'd like to remind him that I wasn't as fortunate as him. I did not have the document when he had it. If he remembers, he was the first one to get it red-hot from the Research office.

MR. D. ORCHARD: Made good use of it too, Larry.

HON. L. DESJARDINS: Yes, I'm sure. That's why we wanted to give it to you. I think it's very important that we have it too.

I think that now my honourable friend will know what I meant, not so much as a criticism when I said, earlier on Tuesday, that we have to start with getting some of this research and facts and evaluations. I think that today, the way he spoke about this, he feels this was necessary and this is good information.

Now, on the situation, I guess we could say also that we could do two things. It might be that we're paying people in the hospitals too much, but it might be also, instead of reducing the wages, we could have them do more of the work. In other words, what I'm trying to say is — I've said that because some of my colleagues, I think, at first thought that, fine, we are now going to leave the institutional model as much as possible like we are told to do — I'm sure that we'll be admonished by my honourable friend when we deal with mental health — but away from the larger institutions to the community, in this case, in community health. That's one thing we're going to do.

I've repeated, there is no way that we can just say, we'll get this money from the institutions and we'll put it there to go with the money that we have. We won't be able to do that. In fact, I would think that the cost in the hospitals will go up, not down. But the trick with the saving, you won't see it from last year to this year. What you would know is there will be less construction of beds, and that's the important thing. That's what I was trying to tell my friend's partner, the good-looking one, when she was advocating that we should have more beds. That's the point I was trying to make.

Now the situation is this. You have to have — (Interjection) — well, let me finish. What we will have to do is exactly this, and I want my honourable friends to listen because that was one of the questions they

asked me. I think we will see sicker people in the hospitals, and that's where you will need the staff. Now there has been an equalization up to a certain point, because you've had people that should be in personal care homes. We all recognize that. If that could be rectified, these people will be out.

Like now, you have people that are in the hospital that may be there for an average of nine days. In the last three days, they are more interested in looking at the nurses and flirting with the nurses and making sure that their meals will not — in Pembina, I know they wouldn't do that, but in the rest of Manitoba they do a little bit of that to pass the time. It helps with the health of the patient.

MR. D. ORCHARD: I'm shocked.

HON. L. DESJARDINS: I knew you would be shocked. That's what I wanted to do, shock you.

Mr. Chairman, let's get serious again. The situation will be that these people, instead of being nine days in the hospital, might be six days. The next three days where they're replaced, you'll have sicker people, sick people again. So in other words, the people will be at the level that they are presently, let's say, for the first six days. There won't be any bonus or any days where you can relax or treat another patient and so on. It will be all sick people. I think that's the important thing, that's probably in the direction that we'll have to go.

But I think now we've talked about working together and I think you have a good example. You have a good example because you are going to find out. Your colleague from the other side probably will get up fairly soon and tell us that in Brandon we're not giving them enough staff and they can't stay within their budget.

Those are the things where we'll have to work together because you have that now. There has been more staff, as you said so well just a minute ago, they are being better paid, to a certain point, and they're still this criticism because there's so much expectancy out there. I think that's what we've got to reverse, to say to people, hey, just a minute, and then that's not rationing health care. No, no, that's using it wisely; that's not rationing.

Well, if that's your definition, yes, we are going to ration health care, I would hope, because we haven't got a blank cheque to give to all these people. You've got hospitals who are well-intentioned, who have only that responsibility of the hospital, and they always want more and they feel that their responsibility is, no matter what the cost is, to make sure to do whatever they can, no matter how many tests or whatever from the patient, and the government and the taxpayer should just send them a blank cheque. That cannot be done. If that's rationing, well, then I say so be it, we are going to ration. So these are some of the things that we will have to face and work together.

I'm talking ahead of time, but one of the things that we will certainly look at is to see if we can have more — maybe we were talking of some type of umbrella group or something, a possibility of exploring that. Maybe that's one of the things we might try as a pilot project to see if the people in the hospital not just fight for that dollar in the hospital, and somebody else in home care, and so on. Get the people in the community, representing all the institutions, working together, and say: hey, this is so much money; where do we prioritize?

MR. D. ORCHARD: You have to do that in your department first.

HON. L. DESJARDINS: Yes, we're doing that in the department. That's exactly what we're doing. We have a little more trouble sometimes in Cabinet. We are doing it in Cabinet, too, but that . . .

MR. D. ORCHARD: You have big trouble in Cabinet, we know that, especially after yesterday.

HON. L. DESJARDINS: Like what? Oh no, there is nothing unusual about yesterday.

MR. D. ORCHARD: The Premier cut Storie's knees off; you cut him off at the hips yesterday. He is walking around . . .

A MEMBER: And you're not even a surgeon, Larry.

HON. L. DESJARDINS: And I'm not even the Premier either, so I'm not responsible for getting . . .

MR. D. ORCHARD: But you're meaner than Howie.

HON. L. DESJARDINS: Well, that's after listening to you for so many years, you've got mean or you don't last, you know. You know that.

MR. D. ORCHARD: Madam Speaker doesn't like people laughing. There shall be no more laughing in Manitoba.

HON. L. DESJARDINS: What were we talking about?

I'll give you another example. Don't forget that these wages are negotiated, there's labour settlement, and that's one of the factors we'll have to look at. For instance, the nurses, I don't know if you can see from here, but the nurses, which is seven cents on every dollar spent in Health — (Interjection) — eh? 50 cents? Sorry, 57, oh, the wages. It's worse than I thought, it's 57 cents on every dollar spent on Health

A MEMBER: That's 57 percent.

HON. L. DESJARDINS: Hey, the head of the class.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. D. ORCHARD: That's like interest rates in Mexico.

HON. L. DESJARDINS: 57 cents on every dollar, and you will see that on this chart that we have, it rises, it's not uniform or in the same way as the CPI for the average industrial wages either. I don't know if you can see from here. This will give you an idea that it's going up, I'll send you this after.

Anyway, the situation is those were the settlement rates with negotiations. But that's some of the things we'll have to look at, there is no doubt about that, and we'll have to discuss that with our people in Finance and our people in the Labour Department, and also with the Compensation Committee of Cabinet. These are some of the things that these figures will be able to give us facts to discuss with them and say, here,

this is what's happening in other provinces. There is no doubt about that, and that is why it is urgent.

Unfortunately, we haven't got the luxury that we can say, and I said that before, that we can put a sign and say we're closed for renovations and so on. We have to keep the hospitals going and the care going while we bring in these changes. So these changes are being looked at.

Yes, there are some of those things that are being done now like, for instance, working with the St. Boniface Hospital with the Early Discharge Program, discussing that with the hospital. Some of the hospitals are, of course, challenging this. There is no doubt that that was — I am now talking about the document which we're talking about, the Evans and Pascoe and Roch work, and that was used extensively by the different subcommittees and the review committee, all this together. That is the difficult thing to do now and that is why I said we will develop a program that we will have to present to Cabinet to give an idea where we're going, what direction we're going and, if that is approved, this is the thing that we'd like to share with you, discuss with you, and then we'll get down to business as soon as we can.

I think up to a certain point we are pioneering, and it's not going to be easy and we are going to make mistakes and we'll have to try pilot projects. But where we need your help is exactly that, when they are talking about there are not enough nurses, and there is not enough this, and you haven't got the staff in the hospitals, and you are not giving us enough money.

If you look at some of the other places, they're pretty tough, and if we don't do that and if we don't work together on that, I don't know where we can work because those will be the tough decisions. Politically, it will be so easy for whoever is in Opposition to contradict and say, no, you haven't got enough, especially when you're dealing with your own constituency. That's going to be the case, and that could be the case fairly soon in this House, this year, this Session.

MR. D. ORCHARD: Mr. Chairman, I appreciate the Minister's answer. You see, one of the difficulties when we get into staffing and, of course, because the Minister mentioned it I'll just give him some examples of where requests are legitimately made for additional staff.

I'll use the example, as I understand it, with the personal care home in Carman where in January of this year the Commission set standards that you have to have so many staff per panelled patient of a given level of care.

What's been happening in the personal care homes is we have had a significant shift over the last several years that we are admitting only, well, probably minimum Level II, but most often Level III and Level IV, residents to personal care homes.

The Commission's analysis of the paneled patient loads and the level of care they require is always a year behind the budget, and when we have members, as may well happen, on our side of the House, saying we don't have enough staff, it's legitimate because often the patient load - and I'm talking in personal care homes here, the level of patient care has increased so that now the personal care home on their existing budget is below the Commission's own set standard.

In the case of the personal care home at Carman, Boyne Lodge, in January they had to close two or three beds - I'm not sure of the number - because they simply did not have an adequate staff complement within their budget to provide the care that the Commission mandated.

So you know those requests are going to be there. And if the Minister says well, you can't be standing up and saying we've got a problem and we've got to look at it and then not make those legitimate requests. I know he's not saying that, but that's what will stimulate some of our requests, and that gets us into the broader area wherein the personal care home operators have suggested to me, when I've met with them, that there is probably some flexibility within the standards the Commission sets itself, wherein there could be a lower Commission standard in terms of staff requirements per Level III-IV patient.

I admit; that is a potentially political hot issue. If you go and lower the standards you might have someone stand up and say, well, you know, you're cutting back on service. But they make the case that service would not be cut back. I'll tell the Minister, these are the private care home operators who indicate that they could provide an equivalent standard of care with a slightly lowered patient cost — (Interjection) — no no, not standard. They can keep up with the standards, but they can do it with a lower than the Commission-recommended staff count.

The Minister — and we're going to get into this when we get into the Personal Care Home line — has got a problem in that he's got a range in there with about \$25,000 per day at the top, down to something like \$16,000 per day on average per patient-day. He's got an incredible range in there. Some operators are simply more efficient in terms of their budget, and there are dollars within the line to be saved if some conformity to a median were in place. That may require the Commission to re-examine certain of their standards, certainly in terms of the MHSC analysis of what the patient loads are in personal care homes. They're always a year behind, so that budget problems are a fact of life in a number of institutions, because more patients are in Level 3 and 4.

Aside from that, I suggest to the Minister in terms of doing an analysis on the Manitoba Medicare that, giving him some more quotes, Page 37: "While Manitoba's non-teaching hospitals have labour costs well below national averages, the teaching hospitals are well above." This is a puzzling one to me, because this is happening at a time when our accreditation in our teaching hospitals in some faculties is uncertain. The Minister, I know, will provide me with the Health Sciences Centre accreditation report that I asked him for about a month ago.

That troubles me to know how we have teaching hospitals well above national averages for labour costs, and our accreditation is in jeopardy. Maybe the two aren't even connected, but there is an anomaly there that needs to be examined. The line we're on right now should take that on.

Another quote that I want to make: "In both sectors, increases in labour costs have outrun national averages, although the relative increase has been over twice as large in the teaching hospitals." Further on it says: "In total, paid hours in teaching hospitals per resident of

Manitoba were 47.16 higher in 1982-83 than the Canadian average, a rather remarkable figure," is the comment by the author. That is almost 50 percent higher.

Another quote: "Thus, Manitoba hospitals paid less for their labour but used more of it in teaching hospitals, a lot more," a very interesting commentary by the author.

Another quote: "But while wages were moving towards national levels, paid hours per patient-day and patient-days per capita, especially in the Manitoba teaching hospitals, have been moving out beyond the national levels by a substantial margin."

Mr. Chairman, the second-last quote that I used from the Manitoba and Medicare Report — "Thus, Manitoba hospitals paid less for their labour but used more of it in teaching hospitals, a lot more" — would indicate to me that, in terms of what is being told to me by the personal care home operators, there is a possibility that the MHSC set standards in terms of staffing requirements may be higher than necessary.

Quite frankly, I don't know from the Manitoba and Medicare Report whether we are lumping administrative staff with nursing staff, with supervisory staff and then support staff all in the group, or whether we have singled out only nursing and nurses' aides and LPN's in that line. Because it may well be in our teaching hospitals that the nurses have a legitimate complaint in that they are being asked to reduce their numbers while administration, middle management, and supervisory staff are increasing. That, I can't answer, and it isn't answered of course in Manitoba and Medicare. But certainly that's an area of concern that should be researched and the answers found by your Research and Planning Directorate.

Mr. Chairman, I submit to the Minister — and this will be almost the last comment I think I'll make on this line here — that this government has been in power for most of the years that Manitoba and Medicare have studied, 1971 to 1982-83, with the exception of four years. This New Democratic Party is undoubtedly very much a union-supported government. You go through the ranks of the Treasury Bench, and you will find a number of former union leaders. I suggest to the Minister, that may be causing the kind of problems that are identified where Manitoba is significantly above the national average, because we've had such a successive reign of labour-oriented government in the New Democratic Party. That more than anything else, if my suspicion is correct, will present this Minister with the greatest challenge that he is going to have, if indeed the close association with labour has caused the statistics of vastly increased hours per patient-day and gross wage cost per patient-day.

If this Minister were to approach his Cabinet and say, here's our problem, I know the kind of battle that he would have in there with his former labour union leaders that are sitting with him in Cabinet. It would be an incredibly tough battle. Unless the Minister can provide another reason and unless Mr. Pascoe and his group can provide some reason to refute these statistics, it's a battle that he may well have to take on. It is not going to be an easy one, not going to be a simple one by any way, shape or form.

Clearly if our objective in this House and in this province is to attempt to bring some, No. 1, efficiencies,

as the Minister mentioned in his opening remarks, to the health care system and, No. 2, to try to bring expenditures down to a level that is manageable within our provincial resources and indeed our national resources — because the national government has the same deficit problems, only worse, than what the province has. They have the same revenue problems that the province has.

If we're going to end up bringing some sanity, some reality back to our health care system and the spending in it, all those areas have to be examined. Any government does it at their peril when they would suggest that the indication would be that the labour unions may well be a contributing factor to our higher costs in Manitoba. Any government takes that on at a great deal of peril. But more particularly, a New Democratic Party government takes it on at their absolute death knell because if the unions don't support New Democratic parties, as was demonstrated in Saskatchewan in the last election, they lose.

So, Mr. Chairman, I simply submit to the Minister that his challenge is formidable. I hope that the Research and Planning group are taking a very serious look at the comparisons between Manitoba costs and national costs to determine whether indeed there is room to bring our provincial costs closer to the national average, and what would be entailed in doing that. Because we are talking, as I said, \$40 per patient-day difference in costs, national average to Manitoba current costs.

On the patient-days — and maybe the Minister could help me. What are the patient-days? Are they 1.25 million patient-days in Manitoba? Is that a rough figure? I've forgotten the figure. Is there a current figure of patient days?

HON. L. DESJARDINS: About 1.5 million.

MR. D. ORCHARD: So you know, at 1.5 million patient-days in the province of Manitoba and \$40 differential between Manitoba costs and the national average costs, that's \$60 million, if my calculation is correct. That is a tremendous amount of money that's available within the system. It doesn't have to be taxed, doesn't have to be borrowed; it's within the system.

To the Minister, I simply say that, if those are the areas that he's willing to investigate and look at in a realistic way, certainly we're willing to cooperate with him. But where the department's own standards are not necessarily being adhered to within institutions, certainly we'll be standing up on this side of the House and asking for a remedy.

HON. L. DESJARDIN: Well, Mr. Chairman, again I found the remarks very interesting and quite apropos in most instances. I think my honourable friend now realizes what I was saying. This has got to be the challenge of this generation. I wasn't exaggerating at all, and I think that he made some very true points. Some of us might not like it, but it's true. There's no doubt about that.

The situation I think in the hospitals, talking about the wages, I don't think that you can — well, certainly not at this time. More work will be required to say, well, that's the answer. I think it's a combination of things. For instance, I want to give you an example, that the biggest jump of all in the nurses, which is 57 percent,

as my honourable friend said, was in 1980 in an agreement that was made with the nurses; that that was a factor, there's no doubt about that.

Now, another thing, there is no doubt that my colleagues will have to look at whatever has been very important to them. For instance, I can no longer go with this in this field if we're going to change anything, if the givens are this that there's not going to be any premiums, there's not going to be any utilization fees, there's not going to be any extra billing, there's not going to be a reduction in standards, that there's not going to be an increase in taxes, there's not going to be any people let out, that every job is protected or there's not going to be a larger deficit — that's impossible. So that will have to be presented. And what my honourable friend said about there's no doubt. I'm not going to hide on that; it's true. But I want to also make a point. It doesn't mean that necessarily Manitoba was wrong or completely wrong or wrong all the way, and that the other provinces were right. It's very easy to pay somebody when there's something that's producing because you're seeing the profit come in, if you're manufacturing or whatever, marketing or . . . It's easy; you see these wages, and you see General Motors and that, what are they getting? They're starting with the top salary, their president or chairman and so on, millions of dollars, and so on. But in this kind, in the service industry, you're just spending, there's nothing that's coming back in.

Now this government has been on record as saying that they don't want to save at the expense of the workers that are working there. They feel if they're giving an honest day's work, they should be paid well. And I'm not going to argue at this time this is something that maybe could be taken with other departments themselves, but I am saying that there could be that . . . Maybe we're paying them too high and maybe the rest of the people are not paying them enough. And I think my honourable friend would probably say that other provinces are not paying them enough in certain times and that we weren't paying them enough, at least for 57 percent of that. So these are factors. It depends which way you look.

Now I am saying my honourable friend is absolutely right. That has to be presented to my colleagues, and it could be that we might have to change a bit. We might have to work with Labour and say, fine, we need some help. And it could be that also now we have said and our policy is that you don't let any staff go without coming back to the Commission unless you, on your own, hired more people than was approved by the Commission. And that's a policy, I'm not going to pretend it doesn't exist. Should that be changed? I don't know. And I'm not ready to damn it. Because I think that up to a certain point . . . I know, I was here in the early days of hospitalization and so on and I know what they did with the nurses. The nurses were actually just an excuse, and the education up to a certain point, for cheap labour, because you can't tell me that somebody should say, fine, for the last six months or a year, you have to go and work in the hospital. Yes, that's fine but if you were just interested in education you wouldn't say that you're going to be on shift work, and these people were working at nights, in the evening and in the daytime. And there is no doubt that for years we were getting cheap labour from our student nurses. That is a factor and now things have changed.

Furthermore, my honourable friend forgot this. I shouldn't remind him because he can have a lot of fun with this, but if we go on the pay equity that might be more money that we will need. So this government will have to face all that. And I don't think that they've ever said no or tried to pretend that they can't, they'll have to accept the responsibility. But it doesn't make it easier for them and it doesn't make it easier for me, there's no doubt about that. My honourable friend is absolutely right, we'll have to look at that.

Now I might say like this example of Carman and I think we're kind of developing maybe at least some kind of co-operation, if not exactly what we want or what would be desirable, maybe there's some in use, quite rightly so, the Personal Care Home in Carman. We recognize that, and in fact if you remember just before that I gave the example of St. Boniface Hospital, and I said also that as you take care of more sick people it's going to cost you more money. I hope my honourable friend remembers that.

That is also true in personal care homes. And that could well be the case in Carman, and the Commission will look at that. But as these things change, of course they have to look at that, and if they take sicker people they have to know that, and it takes a little while at times but these are approved. But what we're trying to do, I think, and I've said before, it was a big mistake when we took over the insuring a personal care home or partial insurance of insuring of the program personal care home. I think it was a big mistake when we took everything, all levels.

And this is what gradually we're trying to do, phase out the hostel type of care. Now if you're saying that where we're drawing service, yes, of that insurance, we will on that. We're doing it very, very carefully for obvious reasons that my honourable friend just mentioned. But this is being done and when we will not allow a . . . We allow multiple-purpose beds because it's not just a level. You've got to look at the extent of the sickness but also other factors of social concern and so on; those are factors also. So that is one of the things to be done.

Now, my honourable friend also, I think he was trying to set me up for an argument later on, on the privatization of personal care homes and health services. That'll probably be one of the times that we will have a good discussion because I don't believe in that principle. If my honourable friend says that he was speaking for Carman, which was fine and he was right, if he tells me that we have such a different level and these people can save money, why couldn't Carman, instead of closing beds, take care of these people? That's one thing that maybe he should ask before closing beds. Because those are the factors. It doesn't matter who it is. If we can get a savings, we shall do it.

MR. D. ORCHARD: You're at the bottom end of the range right now, at Carman.

HON. L. DESJARDINS: Yes, but that's going to be reviewed, that's being reviewed and it was reviewed. St. Boniface made the same statement for acute care, St. Boniface Hospital, and the Commission had to admit that some of it is true. And the Commission is admitting

now, I think that there could well be in Carman and there have been instructions to look at that. I think that K. Thomson is looking at that at this time to report to the Commission.

So those are the factors. I think that what we did today, so far today, is to really look and to see how complicated and how difficult it is and how hard it is to go work, and how many tough decisions will have to be made. But this will be done, the next step will go a little bit further, find out again why not . . . I think that the first step was to identify the problems, making some recommendations but I guess we'll have to help a little more with the work that we've had, put that together. It may be extra work. Remember that this mostly has been staffed at this time, or people that we brought in to do special work and of course this Advisory Committee, but there's people that haven't participated; these were individuals at this time. The MMA, for instance, have some criticism, some critique to make, there's no doubt that hospitals, different hospitals will have . . . And I think that we'd be wrong if we just said, well that's not important, we're going to go ahead. And that's why it takes a little longer, but I think it demonstrates the difficulty in front of us and I would think that probably this is why some of the Ministers of Health in some of the provinces are giving up already, are saying we can't do it, we can't possibly do it; we'll have to go back to what it was before hospitalization, before Medicare. And some are advocating that, at least there are meetings, if not publicly. And we feel that we can't do that without a fight, without a try, and we are confident that we can field the amount of money. There'll be changes, there will be a limit on the dollars that we will spend on health. It might be that we'll start of course to try to rectify and to save where we can save without reducing any standards at all, but we will have to look at all the points that were made by this document, and those that my honourable friend added this afternoon.

MR. D. ORCHARD: Mr. Chairman, you know, the Minister has indicated when he goes to Cabinet they put restrictions on him, or the indications on him, you can't have premiums, you can't have user fees; you can't have per diems charged in hospitals; you can't increase the deficit; you can't cut staff. A lot of the problems that the Minister faces around the Cabinet table and dealing with his hospital budget are self-inflicted.

The MGEA contract for two consecutive settlements now has been a no-cut contract where the Minister's hands are tied. Even if you had a burgeoning, useless line in your department, you would have to deploy those people, redeploy them. You can't eliminate them. You have to wait for vacancies; you've got to wait for them to leave. If it's a useless line in his department, they're certainly not going to leave. That's a self-inflicted problem.

The second one the Minister has got, that all the government has, is the extra week of vacation pay that was given to everybody. That's impacted on some of his institutions because it's been paralleled in the contract.

Third problem that the Minister has got, in terms of his Health budget, is the one that he alluded to and

I was going to get into — and I don't intend to spend much time on it — but I would hope that his research people have analyzed, and his MHSC research people have analyzed what the impact on his budget is going to be of the implementation of pay equity within the Civil Service and in the hospitals. I think it is a substantive amount of dollars that we're talking about. It was done to meet a perceived political need of the New Democratic Party, but it's going to cost us, and where the money's going to come from, we don't know.

The other area that the Minister has, in terms of difficulties that he has to resolve shortly, in terms of the staffing cost, is the discrimination within budgets for non-unionized support personnel in the personal care homes. That kind of discrimination simply won't wash when a government has indicated that they are in favour, in the past legislation, on pay equity. You cannot maintain the differential in the budget allocations between non-union and union support staff. That just flies in the face of the commitment to pay equity.

We're not talking about different job categories. We're talking about the identical job done in a home by non-union staff versus union staff, and this Minister and this Commission funds them differently. That simply is not fair and equitable.

HON. L. DESJARDINS: That's a negotiated wage.

MR. D. ORCHARD: But, it flies in the face of pay equity.

A MEMBER: That's nonsense.

MR. D. ORCHARD: We've got bafflegab from his seat saying that's nonsense. He likes to discriminate against non-union workers is what he's saying then. — (Interjection) — Mr. Chairman, we will get into that issue when we get into the personal home care one and the Minister knows the problem exists — (Interjection) — Mr. Chairman, is the bafflegab allowed in this Committee from who or whatever Minister he is now?

MR. CHAIRMAN: Order please.

If the member wants to speak, he can have the floor.

MR. D. ORCHARD: Thank you. Mr. Chairman, the real message then comes down, as we've been discussing this afternoon, that the Minister can't do it through the areas that he outlined on premiums and user fees and per diems, etc. Something's got to give and with a million-and-a-half patient days and \$40 per patient day increased cost, I suggest to him that is the first area that should be analyzed. We've got to find out why that's there, whether it is something that can be brought closer to the national average. That has got to be one of the first priorities of research, because there's \$60 million in the hospital line alone, and if it exists in the hospital line, no doubt, it exists elsewhere.

The Minister made an interesting comment and, hopefully, we can get through this one this afternoon. The Minister made an interesting comment about nursing and providing free labour. There's some concern

. . .

HON. L. DESJARDINS: Not now. I didn't say now.

MR. D. ORCHARD: I know, you said in the good old days, in the nursing training program. Right now, there is some allegation or some indication amongst the interns that they are likewise doing the same sort of thing, that they're being worked to death for no pay during their internship program at the teaching hospitals. No doubt, with the Minister's concern expressed before, that's an area that no doubt is going to have to be looked at, and what resolution is going to be forthcoming, I can offer no suggestion, but certainly it may well have been a valid criticism during the early days of nursing training, some 15 years ago maybe, it is currently being carried on in the internship program to a substantial degree.

Mr. Chairman, I think we've dealt fairly substantially with the research group, and I would simply close with the urging that the Minister should mandate the Research and Planning Directorate to attempt to find the internal solutions and whether they're workable and possible. There is significant dollars here; there's \$60 million here in this report for hospital administration alone, and out of a budget of \$644 million, that's almost 10 percent of that budget is available if his research group can determine how to implement Canadian averages per patient, per day costs. That's a challenge, Mr. Chairman, a large one. I know the Minister will have his Research and Planning Directorate proceed with posthaste because it's a very important one because it doesn't represent new dollars that have to be taxed, borrowed, or charged to users, but it's internal dollars that we're talking about.

HON. L. DESJARDINS: Mr. Chairman, I've recognized the problems. I said that we might not agree with all of them. I've recognized some of the problems, but I've wanted to make sure that it's on the record also that it's not just the worker at the hospital and the nurses, and so on. I want my honourable friend to be as frank, and I'm sure he will be, and as candid as I have been, that it all the wages; that you could look at wages, starting with the administrator of the hospital, the medical profession and so on. I just want to make sure that when we look at it, it's just not always the people at the bottom of the ladder.

MR. D. ORCHARD: I made the comment to the Minister when we were dealing with the staffing costs, that I was unsure whether that was simply nursing staff and support staffing to the nursing, or whether that included middle management, supervisors, administrative staff — because it may well be there. I made that point already, I'm not singling out any category, union or non-unionized. I am simply pointing out to him that there is the problem here and that's where Mr. Pascoe and his group can identify the difference and attempt to find a solution. I'm not singling out any single or any particular group.

HON. L. DESJARDINS: That's correct. In fact, I didn't answer that question; it covers everybody. I'm not making accusations. I just want to make sure that it's understood and the record is straight, that we're talking about everybody because I think that probably the biggest thing was because of these high contracts and

no-cut contracts and all that. That's what I'm talking about to make sure because it's the same thing.

My honourable friend wanted to know if we're using this. I think that he's a little concerned that maybe we're not. I want to read from the same report that he has, Volume 1, and just a statement that I think will give you an idea. "During many months of deliberation, the Health Services Review Committee has reviewed a considerable body of data, including health care utilization trends, population projections, health care funding, Manitoba Medicare Report, and adult medical patient study in 15 subcommittees' reports".

I'm saying that, yes, this is it. There would be no value if we just got that and put it on the shelf. I couldn't agree more with him, so that's what I say there'll be more of that done and then probably suggestions how do we correct that. At times it will be very difficult. There'll be pilot projects. We'll invite people that think that they might have solutions and so on, and we'll make mistakes I'm sure. We've got to start somewhere. I hope we don't make too many of them because I don't think we can afford too many of them.

MR. CHAIRMAN: 1.(c)(1)—pass; 1.(c)(2)—pass.

The time being 4:30 p.m. we are interrupting the proceedings of this Committee for Private Members' Hour.

Call in the Speaker.

IN SESSION PRIVATE MEMBERS' BUSINESS

MADAM SPEAKER: Private Members' Business. On the Debate on Second Reading, Public Bill No. 6, standing in the name of the Honourable Minister of Labour. (Stand)

On the proposed Resolution No. 20 — the Honourable Member for Elmwood. (Stand)

The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I believe there is an inclination to call it 5:30 p.m. from what I'm hearing in the House.

COMMITTEE CHANGES

MADAM SPEAKER: The Honourable Member for Ellice.

MR. M. SMITH: Before we adjourn, I'd like to announce a change in the Economic Development Committee: the Member for Flin Flon replacing the Member for The Pas.

MADAM SPEAKER: All right, thank you.

Is it the will of the House to call it 5:30 p.m.? (Agreed)
The hour being 5:30 p.m., then, I am leaving the Chair with the understanding that the House will reconvene at 8:00 p.m. in Committee of Supply.