

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 2 June, 1987.

Time — 1:30 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 . . . Notices of Motion . . . Introduction of Bills . . .

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before moving to Oral Questions, may I direct the attention of honourable members to the gallery where we have 55 students from Grade 9 from the West St. Paul School under the direction of Mr. Terry Bobychuk. The school is located in the constituency of the Honourable First Minister.

We have 18 students from Grade 9 from the Ross L. Gray School under the direction of Miss Sheila Norman. The school is located in the constituency of the Honourable Member for Emerson.

We have 50 students from Dakota Collegiate under the direction of Lorne Barske. The school is located in the constituency of the Honourable Member for Riel.

We have 25 students from Grade 11 from the McClung Collegiate under the direction of Miss Betty Mueller. The school is located in the constituency of the Honourable Member for Pembina.

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

ORAL QUESTIONS

Planning and Priorities Committee of Cabinet - no. of staff hired

MADAM SPEAKER: The Honourable Leader of the Opposition.

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

I note from a Civil Service bulletin that has recently been issued that the government is advertising to hire a number of people to staff positions in the Planning and Priorities Committee of Cabinet. Firstly, the Executive Director, Health and Social Policy unit, at a salary between \$47,000 and \$58,933 per year; a Special Projects Coordinator, Salary between \$41,500 and \$55,680 per year; and several policy analysts.

My question to the Acting Premier is: What will be the total number of staff that will be hired by the Planning and Priorities Committee of Cabinet?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, I thank the Leader of the Opposition for that question. As it is detailed and as it does apply directly to the Premier's Estimates, I think those questions are more appropriately dealt with in the course of his Estimates.

Planning and Priorities Committee of Cabinet - total salaries and budget allocation

MR. G. FILMON: I wonder, Madam Speaker, given the intention of filling in staff for a major new Committee of Cabinet, a major new bureaucratic structure, whether or not the Minister, the Acting First Minister, can indicate what will be the total salary allocation for this unit to service the Cabinet, and in whose budget will it appear. Will it be in the Premier's budget; has it been budgeted for in the Estimates that we currently have?

HON. M. SMITH: Madam Speaker, I've already indicated that this would appear in the Estimates of the Premier, and that is where all that information will be found. There was reference to this reorganization during the Throne Speech.

MR. G. FILMON: Madam Speaker, is the Acting Premier indicating that that amount for this new bureaucratic structure, this new unit of service to the Cabinet, that the amount is included in this year's Estimates?

HON. M. SMITH: Yes, Madam Speaker.

Brandon General Hospital - closure of beds - how many layoffs

MADAM SPEAKER: The Honourable Member for Brandon West.

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

Late last week with the consent and with the approval of the Premier and the Member for Brandon East, and all honourable members opposite, the Minister of Labour approved the closure of 49 beds at the Brandon General Hospital.

I'd like to ask the Minister of Health, how many layoffs will be involved as a result of these bed closures?

I said Health, didn't I?

A MEMBER: You said "Labour."

MR. J. McCRAE: Madam Speaker, I apologize if I inadvertently directed my question to the Minister of Labour. I guess it's because I direct so many his way. The question was for the Minister of Health and it has to do with the layoffs that will be involved with the closure of 49 beds which this Minister approved of last week, 49 beds at the Brandon General Hospital.

Will the Minister advise this House how many layoffs are involved in that closure?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Zero.

Brandon General Hospital - how will savings come about

MR. J. McCRAE: Madam Speaker, it's expected that the closure of the 49 beds will involve the saving of some \$400,000.00. How do those savings come about if there aren't layoffs?

HON. L. DESJARDINS: The only layoff will be exactly as I stated before, by attrition or people would be transferred in the community, and there won't be a single layoff.

MR. J. McCRAE: Madam Speaker, the Minister didn't address the question which was how will those \$400,000 savings be achieved?

HON. L. DESJARDINS: A lot of it, a big chunk of it will - (Interjection) - I don't think that's part of that this year.

MR. H. ENNS: One strip of bacon and one sheet a week.

HON. L. DESJARDINS: I don't think that's part of that this year. Most of it will be that there will be no one hired to replace people who are on holidays and so on.

Brandon General Hospital - will closure of beds reduce elective surgery

MR. J. McCRAE: Will the closure of two wings of the hospital in Brandon result in reduced numbers of elective surgeries?

HON. L. DESJARDINS: That could be. It could be, I would imagine that if there's less beds, there could be a reduction of elective surgery, that's possible.

Brandon General Hospital - where do government priorities lie

MADAM SPEAKER: The Honourable Member for Member for Brandon West with a question?

MR. J. McCRAE: I direct it to the Minister of Health or the Minister of Labour, or whoever wants to answer over there.

Over the last four or five years, this government has given away to their labour friends - certainly in the Manitoba Federation of Labour - somewhere around \$1 million for the Manitoba Labour propaganda centre; I wonder if the Minister of Labour or the Minister of Health would like to tell us where the priority is when 3.5 percent increase this year is given to Brandon General Hospital, and that hospital is expected to live within that kind of budget, without any deficit, no deficit is allowed when funding of 3.5 percent increase is given to Brandon General Hospital; where is the priority of this government when \$1 million goes to their labour friends and we have to cut beds in my community?

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, the honourable member asked the same question during the course of the review of the Estimates in the Department of Labour last night, and I pointed out to him then, and I point out now, that this government has consistently maintained funding for health in excessive levels across the country. We have maintained our spending on education and on social services, and we have resisted what other Conservative Governments in this country have done, taken a knife and slashed social programming, slashed expenditures in respect to vital health services.

Madam Speaker, we've done this at a time when a Conservative Federal Government has continued to cut back on spending for health and secondary education. We've done that; we've maintained the course; we've maintained the faith of our constituency, the people of Manitoba to maintain those services.

MADAM SPEAKER: Order please, order please.

May I remind honourable members that question period is not a time for debate.

Infant death - investigation re whose jurisdiction mother under

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, whom we asked last week whether or not her department, rather than the Northwest Child and Family Services, had jurisdiction over a 16-year-old mother of a three-week old infant who died as a result of child abuse?

I would ask her now, Madam Speaker, in view of the statements by the former chairman of the Northwest Child and Family agencies that the government was responsible for the mother and that the government office did not provide adequate aid to the 16-year-old mother; and, in view of the fact that his suggestion that the Deputy Minister of Community Services has not bothered to check up on the facts; would she advise the House whether she has investigated that matter and whether or not she can inform the House as to whether her department or the Northwest Child and Family Service agencies had jurisdiction over the mother?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, there is a jurisdictional issue with regard to the mother and, in that case, it is true that Thompson had jurisdiction. The elements of the case that led us to take strong action was a protection aspect for the services to the entire family, and that had been under Northwest.

We also had concerns about communication between agencies, but all of these factors, including the matter raised by the member opposite, will be thoroughly reviewed.

Infant death - tabling of investigation report

MR. G. MERCIER: Mr. Chairman, when can the House expect the Minister to table her investigation and report into this whole matter?

HON. M. SMITH: Madam Speaker, I identified the process we follow in reviewing individual cases, and what the factors are that we look at in terms of when we report. I also indicated that the review of Northwest and the review of directorate procedures, we hope to have completed within two to three months.

Awasis Agency - report re investigation of

MR. G. MERCIER: Madam Speaker, I had asked the Minister some months ago to do an investigation of the Awasis Agency and certain allegations that were against it, including the non-reporting of abuse cases. There are now statements by child abuse workers which indicate or imply that the number of abuse cases are being underreported by Native agencies.

Could the Minister investigate whether she has completed her investigation of the Awasis Agency and the 14-year-old girl who was allegedly raped and assaulted, and whether or not she is looking into the suggestions that the number of abuse cases are being underreported?

HON. M. SMITH: Madam Speaker, there is no evidence of underreporting but, if any comes to light, we will take action. With regard to the individual case, we are awaiting again some information, but it will be completed shortly.

Safe Grad - television advertising program with narrow audience

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.

We have, in many schools in this province, a program called "Safe Grad," a program which is sponsored by students and their parents for the graduating members of a class in order that the drinking take place under very controlled circumstances and that they do not drive automobiles.

Will the Minister please explain why a province-wide television advertising program is going on promoting "Safe Grad," when the audience that would be attracted would be very narrow, only the Grade 12 students and their parents?

MADAM SPEAKER: The Honourable Minister responsible for MPIC.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker. Indeed, I'm very pleased to advise that MPIC has been involved in Safe Grad since, I believe, 1982.

With respect to the advertising, I would imagine that all Manitobans should be interested in our young people having a safe graduation.

As to the timing, I'll take that question as notice.

Safe Grad advertising campaign - justification of money spent on

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

How does he justify the expenditure of that kind of sum on an advertising campaign, when premiums for owners of automobiles this year increased from 9 percent to 30 percent?

HON. J. BUCKLASCHUK: Madam Speaker, I don't know exactly what the contribution towards this effort is from MPIC. I do know there are a number of groups that are involved in this exercise, but I would think it would be clearly evident to anyone that the saving of one life through a Safe Grad exercise would save Manitoba Public Insurance possibly hundreds of thousands of dollars, so I think that whether it be \$2,000 or \$20,000, it is money well spent.

Safe Grad advertising - costs of

MRS. S. CARSTAIRS: A final supplementary to the same Minister, Madam Speaker.

Would the Minister table the costs of all the production and the media transmission costs of these advertisements?

HON. J. BUCKLASCHUK: Madam Speaker, the Safe Grad Program, if MPIC is the lead department or agency responsible for that program, I will gladly table that. Otherwise, I will seek that information and provide that to this House.

MACC - policy re Federal Farm Debt Review Panels

MADAM SPEAKER: The Honourable Member for Ste. Rose du Lac.

MR. G. CUMMINGS: Thank you, Madam Speaker. My question is for the Minister of Agriculture.

Has the Minister given any direction to MACC, or has MACC developed a policy regarding negotiations with their clients when they appear before Federal Farm Debt Review Panels?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I'm not sure that we have provided any additional guidelines to MACC in the last number of months, but I can advise my honourable friend that since the time that we set up the voluntary review panels, over two years ago, we had advised MACC that they would be treated no differently than any other lender before that committee, and they were to in fact comply and work with that committee, even though it was on a voluntary basis. So we expect that the corporation would, in fact: (a) if they cannot come to a voluntary negotiated settlement with a client, that they would participate fully in the review process, whether it be with the Federal Review Panel or the Provincial Review Panel.

MACC - how many agreements reached

MR. G. CUMMINGS: I wonder if the Minister could tell us how many agreements MACC has reached after appearing before panels.

HON. B. URUSKI: Madam Speaker, I will have to take that question as notice because I'm not certain as to how many actual cases, which were initiated by MACC, in fact, would have gone to a panel; or I will attempt to provide as well information for my honourable friend about information that they had settlements without going to panels, so I will take the specifics of that question as notice.

MACC - not meeting deadlines re panels

MR. G. CUMMINGS: Madam Speaker, can the Minister explain to this House why MACC appears to be deliberately sabotaging negotiations? They're procrastinating, and they're simply not prepared to present a position when they go before panels. Is this a direction from the Minister, or is he aware that this is happening? Why can they not meet deadlines the same as other creditors appearing before those panels?

HON. B. URUSKI: Madam Speaker, if my honourable friend has information that he wishes to bring to my attention about the corporation not meeting deadlines, or not negotiating in good faith, I wish that he would bring those specifics to my attention and we could, in fact, deal with them on a case-by-case basis.

I don't accept, unless I have proof that the corporation is, as he alleges, sabotaging negotiations; I don't accept that premise. But if there are cases where that in fact that is occurring, I would want to know about that so that we could take corrective action.

MACC - appear before Agriculture Committee of the House

MR. G. CUMMINGS: A new question to the same Minister, Madam Speaker.

I think it hinges around whether or not the Minister agrees what the word "sabotage" means because MACC is so often reluctant to have a position when they appear before panels, then the panels can simply not reach a conclusion.

Because of these charges and various other concerns that have been presented, I wonder if the Minister will be prepared to ask MACC to appear before the Agricultural Committee of this House so that we can examine their policies and the direction that they've been given?

HON. B. URUSKI: I hope the honourable member's vague allegations that he's placed on the record today are not the same kind of allegations that he's made to the press about the buy-down program which he says that Manitoba farmers have to pay thousands of dollars up front in the buy-down program to gain any benefits, Madam Speaker, knowing full well that those kinds of comments are inaccurate.

Madam Speaker, the Manitoba Agricultural Credit Corporation just came through the Estimates of this

House, in which we spent some 30 hours. We did debate those Estimates. If the honourable member, in fact, did have allegations, that was clearly the time to bring them forward in this House.

As I've indicated earlier, Madam Speaker, if there are specific allegations, not the kind of vague innuendo that the honourable member appears to be putting on the record, are there, I will be pleased to investigate them.

Crown corporations - investigation of salaries

MADAM SPEAKER: The Honourable Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Madam Speaker. My question is to the Minister of Crown Investments.

As reported in yesterday's Free Press, Madam Speaker, the firm of Thorne Stevenson & Kellogg has been hired by the government to do an investigation and a review of salaries of heads of Crown corporations. On January 16, 1985, Madam Speaker, the Cabinet approved a structure to deal with the salaries of Crown corporation heads, and I'd like to read the three aspects that were approved by Cabinet. "(1) the salaries of all Crown corporations' chief executive officers be approved by Cabinet upon the recommendation of the Minister responsible for the Crown corporation, together with the Minister of Crown Investments; (2) that the determination of employee compensation below the level of CEO be delegated to operating management and the board of directors subject to government guidelines, as communicated to the board by the Minister of Crown Investments; and (3) that all compensation packages approved by the boards of directors be forwarded to Manitoba Crown Investments."

I'd like to ask the Minister, Madam Speaker, could he tell us, or indicate to the House, why this latest study was important, or why it was needed when, in fact, there is a structure in place to deal with salaries of heads of Crown corporations?

MADAM SPEAKER: The Honourable Minister of Crown Investments.

HON. G. DOER: The study that the member opposite indicates and reflects on has been tabled by the Minister of Crown Investments. Last summer those facts were made public and the relationship between the various CEO's have been put on the public record.

We did, at a request of a newspaper reporter, update those figures, which are of course public, and did indicate that a number of specific CEO position salaries were under review; and, furthermore, that we were reviewing the whole structure of the CEO's salaries, Madam Speaker, in terms of relevance to the marketplace, the provincial economy and the economic realities of the provincial economy, and the economic strengths of the Crown corporations as part of our Manitoba infrastructure.

Hayes Management Study - tabling of

MR. L. DERKACH: Well, Madam Speaker, a former study by the management firm of Hayes Management

was done by MTS to review the salaries of Crown corporations and, according to our information, that particular study did go to the Minister responsible for Crown Investments.

Can the Minister indicate what happened to that study and would he be prepared to table that study in the House?

HON. G. DOER: Madam Speaker, I'd like to understand the question. Did the member opposite indicate a study in MTS, dealing with all CEO's of all the Crowns?

MR. L. DERKACH: Madam Speaker, I think the super Minister knows what I mean.

MADAM SPEAKER: Order please, order please.

MR. L. DERKACH: I'm simply indicating if the study by Hayes Management . . .

MADAM SPEAKER: Order please.

MR. L. DERKACH: . . . that was contracted by MTS was done.

HON. G. DOER: MTS?

MADAM SPEAKER: Order please.

As the honourable member well knows, we refer to each other by proper titles. Thank you.

The Honourable Minister of Crown Investments.

HON. G. DOER: Madam Speaker, the member opposite has asked two questions. One, is the relationship of salaries for all the CEO's, and two, is a specific question on a Hayes study in MTS. There are two different issues there. The study that we have contracted for is in terms of all the Crown corporation CEO's and that study, when it's dealt with, and the results are concluded, in terms of the decisions to be made, I'd certainly be willing to share with the House when all the decisions are made based on the study, because ultimately Cabinet and the government must make the decisions based on the data they receive.

Manitoba Crop Insurance Corporation - no. of all-risk contract cancellations

MADAM SPEAKER: The Honourable Member for Virden.

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

I would like to ask him how many all-risk contracts did Manitoba Crop Insurance Corporation cancel this spring because farmers had not paid the all-risk premium by the deadline that was imposed by the corporation?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I go on recollection. I believe that information was provided in Estimates during that time. If it was not, I will take the question as notice and provide that information for my honourable friend.

Manitoba Crop Insurance Corporation - conditions re cancellation of all-risk insurance

MR. G. FINDLAY: I would like to ask the Minister under what conditions can the Crop Insurance Corporation cancel the farmers all-risk contract, when his all-risk premium is completely paid up?

HON. B. URUSKI: Madam Speaker, I'll take that question as notice and ask the corporation as to what their operating policies insofar as cancellations, whether or not there are other factors that are considered in terms of future contracts. One of those might be, of course, the whole question of uninsured causes, which deals with the question of management and the number of claims, where a corporation could, in fact, as a result of consistent claims and poor management, would say that there's a consistent loss and . . . in the corporation because of identified poor management practices would, in fact, cancel the contract.

But I will take the specifics and ask the corporation if there are other details, other criteria which they use to assess a future cancellation of a contract because I do consider that as very, very much a last measure that the corporation would employ.

Manitoba Crop Insurance Corporation - deadline extension for premium payment

MR. G. FINDLAY: I'd like to ask the Minister if the Crop Insurance Corporation is presently, or is considering granting extensions to the deadline for premium payment for farmers that are before the Federal Debt Review Board or in front of the Provincial Mediation Board.

HON. B. URUSKI: Madam Speaker, the corporation did provide some extensions in certain cases if premiums were in fact paid by certain deadlines. I'll take that question as notice and just find out what their current policies are. But I believe, Madam Speaker, those issues were in fact raised and discussed during Estimates. If they were not, I guess my honourable friend's forgotten about those issues.

Education tax rebate - details of policy re

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker. My question is for the Minister of Agriculture.

Madam Speaker, the Minister of Agriculture and his colleague, the Minister of Municipal Affairs, have been working on the policy by which farmers will receive the \$500 rebate on education taxes paid. Can the Minister indicate when he expects to announce the details of that policy and the method by which farmers will qualify for that \$500 rebate?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, our discussions with municipal officials and secretary-treasurers are near completion and staff are working on the final details. It's my hope that the announcement will be made within the next two weeks or so.

Education Tax rebate policy - available for municipal meetings

MR. D. ORCHARD: Madam Speaker, my question is for the Minister of Municipal Affairs.

Given that the policy will be ready in approximately two weeks and has been worked on for some several months now, does the Minister of Municipal Affairs expect to have that policy available for discussion at the municipal meetings that start in mid-June so that councillors can express their support, or lack thereof, for the policy that he is about to put in place? Will they have that opportunity to discuss that at the municipal meetings?

MADAM SPEAKER: The Honourable Minister of Municipal Affairs.

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

I have every expectation, along with my colleague, the Minister of Agriculture, to have all the information out to municipal officials prior to district meetings and we look forward to their support in this respect.

Education tax rebate policy - payment to retired farmers

MR. D. ORCHARD: Madam Speaker, a question then for the Minister of Agriculture.

Madam Speaker, will the policy which the Minister of Municipal Affairs expects to be announced within the next week or so, will it include the payment of property taxes, the rebate of education taxes to those farmers who are retired or may be renting land to their sons or neighbours? Will that be part of the policy that is to be announced?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I ask my honourable friend to be patient for a little longer and the details will be announced.

As well, I'd like to indicate to him that we've had ongoing discussions with municipal officials and there were some concerns expressed about some of the difficulties in delivering the program - and we anticipate that there will be some difficulties. However, the executive of the Union of Manitoba Municipalities has indicated that they are prepared to deliver the program, notwithstanding some difficulties that may arise because there are a number of categories that have to be dealt with.

But I ask my honourable friend to be patient and he'll receive the details in the next while.

Cobalt treatments - delay in receiving

MADAM SPEAKER: The Honourable Member for Gladstone.

MRS. C. OLESON: Thank you, Madam Speaker. My question is to the Minister of Health.

Is there a delay in obtaining cobalt treatments in Manitoba?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Madam Speaker, I'll have to take that as notice.

Cobalt treatment - reason for delays

MRS. C. OLESON: A further question to the Minister.

A constituent of mine has complained to me that her brother, who was to begin a series of 30 cobalt treatments in mid-May, and lasting two months, has been told that he might be able to begin in the middle of June.

Can the Minister tell us why there are such lengthy delays in getting treatment?

HON. L. DESJARDINS: Madam Speaker, I already said that I would take the question as notice. What I would appreciate is getting, if the member could send me the name, that I'll treat confidentially, of the people, I'll check.

Cobalt treatment - how many waiting

MRS. C. OLESON: While the Minister is taking that as notice and looking for that information, perhaps he could also find out how many other people are waiting long terms for treatment of this kind.

Planning and Priorities Committee - where are salaries within the Estimates

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker.

Earlier in the question period, I asked the Acting Premier about the buildup of the bureaucracy in the Planning and Priorities Committee of Cabinet. She indicated that the cost of that bureaucracy was included in the Estimates of the Premier's department, Executive Council.

Madam Speaker, the Planning and Priorities Committee has hired a secretary, Mr. Mendelson, at a salary in excess of \$70,000.00. They're advertising for an Executive Director at a minimum salary of \$47.7 thousand; they're advertising for a Special Project Coordinator at a minimum salary of \$41.5 thousand, plus a number of other policy analysts. This amounts to \$160,000 plus the policy analyst, which would undoubtedly take it well over \$200,000.00. Yet I see that there is only an additional \$102,000 in Administration, Salaries in the Premier's department.

I wonder if the Acting Premier could indicate where those salaries are within the Estimates of the Premier's department.

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, I think again, the detailed discussion can go on in the Premier's Estimates. But, as said in the Throne Speech, government has taken the Economic Resource Investment Committee and its resources, and the Social Resource Committee, and converted them into two different committees; one under the Treasury Board, where Michael Mendelson is assigned, and the other - and please note Michael Mendelson is with the Treasury component - the other is the Planning and Priorities Committee. To the best of my knowledge the dollars and the staff will appear under the Premier's Estimates, but it's really a redeployment from ERIC and SRC.

Planning and Priorities Committee - re layoffs in favour of additions

MR. G. FILMON: Would the Acting Premier indicate whether other staff will be laid off in favour of these that are being added?

HON. M. SMITH: Madam Speaker, I'll take that as notice.

Workers Compensation Board - injured workers sent to U.S. for CAT scans

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Thank you, Madam Speaker, I direct a question to the Minister responsible for the Workers Compensation Board.

My question, Madam Speaker, is: Can he confirm that the board routinely sends injured workers across the line to American health facilities for tests, particularly those involving the CAT scan machines, whereas ordinary Manitobans, as the one just alluded to by my colleague, the Member for Gladstone, are being asked to wait four, five, six and seven months.

MADAM SPEAKER: The Honourable Minister responsible for Workers Compensation.

HON. H. HARAPIAK: Madam Speaker, it is my understanding that it is not a routine matter to be sending people over across the border for some of the tests. We know that there are some requirements for doing CAT scans when there is an urgency and we can't meet the needs here in Manitoba. There are some of those tests conducted in the states, but only in specialized cases, when the urgency is very great, that facility is utilized across the border.

MR. H. ENNS: Madam Speaker, just so I understand the urgency, what urgency the Minister speaks of. I believe the urgency is monies that the Workers Compensation Board has to pay out while a worker is injured; it may not be a medical situation. The Workers Compensation Board, in attempting to save money, will pay for Manitobans getting these medical services in the United States.

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

MR. H. ENNS: Yes, Madam Speaker.

I want to ask the Minister responsible for the Workers Compensation Board, can he give us some indication of how many cases have been referred to American health facilities in the last little while?

HON. H. HARAPIAK: Madam Speaker, I'll have to take that specific question as notice.

CAT scans in the United States - unfair to some Manitobans

MR. H. ENNS: A supplementary question, Madam Speaker, directed to a new Minister, to the Minister of Health.

I wonder - I ask the Minister of Health, if he thinks it's particularly fair that some Manitobans in need of special tests have that paid for in American facilities, while others do not?

MADAM SPEAKER: Would the honourable member care to rephrase his question so it does not seek an opinion?

MR. H. ENNS: Madam Speaker, Manitobans, when injured on a job, requiring specific medical tests have them paid for done in American medical facilities, because of the long delays that we face here in our own system. Ordinary citizens who require the same kind of tests are asked to wait five, six, seven months or, as the Minister knows, often go across the line, and have those tests done and pay for them in their own money.

MADAM SPEAKER: Does the honourable member have a question for the Minister of Health?

MR. H. ENNS: I'm asking the Minister of Health whether he thinks that is a fair situation?

MADAM SPEAKER: That question seeks a personal opinion.

CAT scans in the United States - is policy denying access still in place

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, I'd like to pose a question to the Minister of Health.

About 18 months ago, or 15 months ago, the government announced a policy whereby Manitobans could no longer go to the United States for CAT scans and tests for which delays, inordinate delays, are imposed upon Manitobans through the health care system in Manitoba. Is that policy of denying Manitobans access to CAT scans in United States still in place?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Madam Speaker, I don't know of any change in these policies. The policies were that

certain tests, not all of them, certain tests under certain conditions would not be acceptable. I agree that all this should be investigated. I'm kind of surprised at my honourable friend from Lakeside because two days ago he wanted to know why we weren't paying the bills of somebody going to Mayo Clinic, but we'll check the whole thing and let you know.

CAT scans in the United States - all Manitobans equal

MR. D. ORCHARD: Madam Speaker, given that it's obvious the policy of the Workers Compensation Board is to allow workers, injured, to go to the United States for CAT scans and other diagnostic tests, would the Minister not consider changing the policy in the Department of Health in allowing every Manitoban that opportunity for CAT scans in the United States when they are forced inordinate delays of time by using the Manitoba system? Would he not consider that all Manitobans are equal and that the Workers Compensation claimants should not have a privilege that other Manitobans don't have?

HON. L. DESJARDINS: Madam Speaker, the aim certainly would be to treat everybody the same, certainly as much as possible.

I am not responsible, the Department of Health is not responsible in setting up the policy for the Compensation Board, but there has been some discussion between the Ministers responsible to make it more uniform, and Autopac also, because there are certain areas that are certainly not the same. Some people seem to be entitled and a larger payment for certain things; that is being looked at, at this time.

MR. D. ORCHARD: Madam Speaker, a question to the Deputy Premier.

Does the Deputy Premier consider the policy whereby all Manitobans are paying for CAT scans given by the Workers Compensation Board in covering the deficit in WCB, that those same Manitobans should be given the opportunity to have their CAT scans paid for in the United States when they're not available through the health care system of the Minister?

HON. L. DESJARDINS: We're certainly not going to start increasing the facilities to go to the United States, not at all. We want to go in the other direction. And my honourable friend knows well that we've ordered, that there are more CAT scans coming, and they will be set up fairly soon. There'll be four in the Greater Winnipeg area and there should be one in Brandon.

MR. D. ORCHARD: Madam Speaker, then is it the Minister of Health's policy that until those new CAT scans are available for Manitobans, that he will continue to discriminate and allow Worker Compensation patients to go to the United States and have their costs covered, while the rest of Manitobans, through the Department of Health, either do without the test, wait or pay for it?

HON. L. DESJARDINS: The policy of the Compensation Board is not the responsibility of the Department of

Health and that is done in certain areas. I have stated - nothing was done when you were in power - and I'm stating that we're looking at the . . .

A MEMBER: We didn't have those waiting lists either.

HON. L. DESJARDINS: You had no CAT scan at all, how the heck can you . . .

SOME HONOURABLE MEMBERS: Oh, oh!

HON. L. DESJARDINS: I didn't say that word. So, anyway, I said that there are meetings with the different Ministers to try to have more uniformity. There are also fees to different providers of services that are not the same. We know that and we're looking at it to try to rectify that; we're looking at a lot of things in the department. I don't know why you're shaking your head, it's true.

MADAM SPEAKER: The time for Oral Questions has expired.

ORDERS OF THE DAY HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, first, on two matters of House Business.

Madam Speaker, as you are aware, earlier in the Session, on March 5, the Opposition House Leader and myself agreed to a sequence for the consideration of the Estimates of the various government departments, and tabled that sequence under the rules as provided for in our Rule Book.

The rules, also, Madam Speaker, according to Section 65(6.3), allow for a change in the sequence either by motion or unanimous consent.

I have had discussions with the Member for River Heights and with the Opposition House Leader, the Member for St. Norbert, in respect to some recommended changes in the sequence which I would like to place before the House at the present time.

As it stands now, Madam Speaker, we would be going into the consideration of the Estimates of the Department of Business Development and Tourism today, followed by Employment Services and Economic Security, and Consumer and Corporate Affairs, and the rest of the list as tabled on the 5th of March.

What has been agreed to by unanimous consent is that today, instead of Business Development and Tourism, we will consider the Department of Consumer and Corporate Affairs; followed by the Department of Employment Services and Economic Security on a subsequent day; and then followed by that, when they are finished with their review, by the Department of Business Development and Tourism; and the rest of the list would stay the same.

So I'm seeking unanimous consent for those changes to be made under the rules provided for.

MADAM SPEAKER: Is that agreed? (Agreed)

HON. J. COWAN: Having received that, Madam Speaker, I'd like to thank the Member for St. Norbert and his colleagues, and the Member for River Heights, and the members on this side, indeed, for their cooperation in making those changes, particularly the critics who are involved. The Member for Riel has been most, most helpful, Madam Speaker, and should be singled out for special attention.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. J. COWAN: Seriously, I do want to go on the record as expressing our appreciation for all the cooperation we've received in this regard.

Also, Madam Speaker, I believe there's a disposition on the part of members not to go into Private Members' Hour today, by leave, to forego Private Members' Hour.

MADAM SPEAKER: Is that agreed? (Agreed)
The Honourable Government House Leader.

HON. J. COWAN: I, Madam Speaker, therefore move, seconded by the Minister of Agriculture, 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 Urban Affairs; and the Honourable Member for Lac du Bonnet in the Chair for the Department of Consumer and Corporate Affairs.

CONCURRENT COMMITTEES OF SUPPLY CONSUMER AND CORPORATE AFFAIRS

MR. CHAIRMAN, C. Baker: Committee, come to order.
The opening remarks from the Minister of Consumer and Corporate Affairs, please.

HON. A. MACKLING: Thank you, Mr. Chairperson.
I'm getting a copy of these remarks made and I'll have it for the critic just as soon as it arrives, or I'll give him this copy after I finish.

Mr. Chairperson, fellow members, as Minister of Consumer and Corporate Affairs, I'm pleased to make the following remarks regarding development in the department during 1986-87. As well, I will briefly touch upon new initiatives for 1987-88.

Consumer and Corporate Affairs has a number of functions, but its general mandate is to strike a balance in the marketplace, providing public protection while, at the same time, setting basic rules of conduct for industry standards.

My department strives to provide Manitobans with the information, the mechanisms and the confidence that will give them a sense of intelligent command over their consumer decisions.

The corporate side of Manitoba Consumer and Corporate Affairs involves both the administration of laws which regulate certain industries such as insurance, real estate, a variety of licensing statutes, and direct commercial services such as business incorporation.

Although small in numbers - the department has approximately 100 employees - we administer 21 provincial acts through the Consumers' Bureau, Insurance, Corporations and Business Names Branches, the Public Utilities Board and the Securities Commission.

Preventing problems and getting consumers and business people together to solve problems are the methods used by the department to effect the rights and responsibilities as detailed in Manitoba law.

Department staff are dedicated to dealing with consumer inquiries, providing suggestions and dealing with complaints from individuals and groups of consumers throughout the province. As an example, the Consumers' Bureau received over 2,600 written complaints in 1986-87, resolving approximately 2,000 through mediation.

Corporations and Business Names dealt with 38,000 over-the-counter inquiries and requests. As well, this branch handled more than 54,000 telephone inquiries, an 18.8 percent increase over the previous year.

Automation of the record-keeping system in the Corporation and Business Names Branch neared completion. The initial input of data has now been completed. As well, all documents filed since August 1, 1986, have been microfilmed. Microfilming of the branch's 80,000 active files is progressing satisfactorily.

The securities capital markets are utilized at a level considerably above average which marks the continuation of a trend. The Securities Commission cleared a total of 870 securities issues of all kinds in 1986 - an increase of 21 percent over 1985.

As well, amendments to The Securities Act, Bill No. 38, in 1986, helped Manitoba maintain uniformity with the Ontario act in the area of takeover bid provisions. The branch is currently awaiting the final drafting changes on the Ontario regulations to remit the branch to blend in the province's own and bring the legislation into force.

Enabling Legislation was passed to bring one step closer the establishment of a plan to compensate loss claimants when a general insurer becomes insolvent. As well, legislation was passed to allow a spouse to force cancellation of an insurance policy on his or her life where an insurable interest no longer exists.

With respect to current departmental issues, there are several areas of concern, some new, others ongoing. My department is completing the final arrangements for a General Insurance Compensation Fund which will pay claims in the event of an insurance company's insolvency. The plan should reduce the possibility of an insurance company failure by implementing increased capitalization levels and higher regulatory standards. As well, the superintendent of Insurance continues to work with industry officials on formulating a compensation program for life insurance.

The travel industry has developed a default protection plan which reimburses travellers who have lost their money as the result of the financial collapse of a travel wholesaler or retailer. While the plan is a benefit to consumers, I feel the travel industry has not adequately informed the public of the availability of the plan. I've met with industry officials to express my concerns and have encouraged them to actively promote the program in the future.

I believe progress is being made with our federal counterparts regarding financial institutions. However,

we have concerns with the recent bilateral agreement that was signed between the Federal Government and Ontario. This agreement appears to open the door for Ottawa to get into the securities field which, until recently, had been strictly provincial jurisdiction. A number of provinces are concerned about the Federal Government's involvement and as a result, my department, along with my provincial counterparts, are keeping a close watch on this issue.

I am also concerned about the role of financial planners in today's society. Financial planners handle millions of consumer investor dollars yearly but are virtually unregulated. This is an issue that is not unique to our province. I remain in touch with my counterparts in other provinces, as well as with industry representatives, as we discuss the future role of the financial planning industry in Canada.

This past year, I've spoken out on Bill C-22, the bill amending the Drug Patent Act. My government's concerns are well-known to the Opposition. We believe these amendments will result in an increase in drug prices for consumers as well as governments through Pharmacare and other similar programs. I will appear before the Senate Committee studying the amendments to voice our concerns.

The increase in the flow of securities issues being sold under a prospectus is being maintained. Through the early months of 1987, our Securities Commission has noticed a 60 percent increase over the comparable period for last year in the category of commercial prospectuses.

Further amendments to The Securities Act will be brought to the Legislature, designed to broaden the net regarding improper insider trading and increase markedly the penalties to be imposed for such activity.

As I believe I've demonstrated, Consumer and Corporate Affairs primary objective is to protect Manitoba's consumers while maintaining a marketplace in which businesses can compete fairly. This is an industrious mandate for a department with such limited human and financial resources; but from a more positive perspective, our circumstances have forced us to take a hard look at how we are utilizing our resources. We've discovered how to use what we have more effectively and more creatively.

I'd like to close by noting that a growing number of consumers are taking a more proactive approach. We support this initiative with our Community Outreach programs and services, because it stands to reason that the more responsibility Manitobans assume for their own welfare, the more consumer conscious they become. As that consciousness grows, the pressure on government should be somewhat relieved, allowing resources to be targeted to the most needy.

Mr. Chairperson, I have presented to this committee a brief overview of my department's achievement in the past fiscal year, as well as our goals for '87-88.

I refer Manitoba Consumer and Corporate Affairs Spending Estimates to your committee for review and passage.

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

MR. G. DUCHARME: Thank you, Mr. Chairman.

First of all, maybe what I should do is determine the procedures. Generally, I have general comments to the Minister in regard to different items that have come up and different items that were mentioned in last year's comments by the Minister.

As you probably appreciate, in the Estimates there isn't too much difference between last year's and this year. There is only one line in the Estimates that I have a question on, and I do have some questions on the report.

So how would you like to deal with them? In what procedure? Would I go through and make some comments, and if you'd like to reply to my comments, because in the Estimates the line-by-line is going to take about a half a minute?

To the Minister, in his statements last year, in '86, when we went through this for the first time - and, first of all, I must mention that it is indeed a pleasure for me to go through the Estimates of Consumer and Corporate Affairs because I probably fit in line as being an insurance agent, a realtor and part of a corporation. I may have a little bit of a conflict but I enjoy this type of . . .

Mr. Minister, in your comments last year, you mentioned the automation of the corporations and business names, entering of information, etc., into the system, and information would be in the fiscal year '86-87. You mention this year that it's going along very well, and I quote last year, "The new system will improve the branch's service to the public by allowing a shorter response time on name searches as well as simplifying filing requirements."

I, as an individual who believes in this computerized system and who probably tried the system out about a week-and-a-half ago - I sent my son down to register a name - and I can appreciate what they go through. I think it's a real need.

My question to the Minister right now is that maybe he could give us an update on where it's at. I know that they're entering the information now. They have the hardware.

Could you tell me whether Mr. Khan, who is organizing this, is still entering the information, or maybe give us an update on it?

HON. A. MACKLING: The honourable member is quite right. At last year's Estimates review I did indicate the ongoing initiative in respect to computerization, the development of a much more, hopefully, efficient system for the Consumer and Corporate Affairs Branch. Initial funding was provided for and the work is ongoing.

There have been some glitches, or whatever you want to term, in the system. I think this can occur with all new systems. We have some measure of disappointment and dissatisfaction with what appears to be the costs of the system; and we are looking at that with advisors on these systems and in-house assistance from the Treasury Branch. We're hopeful that the system, as all automated systems, will provide the kind of service which we feel is necessary for the branch.

Mr. Khan is ongoing as director. He's seconded to work with my Deputy Minister in the development and the review of some of the initiatives that we are discussing for a subsequent legislative Session. I'm not in the position to go into extensive detail about those

policy thrusts because they haven't been taken forward as proposals yet to my colleagues.

MR. G. DUCHARME: So the position that the individual was doing, the computerized, so no new position has been created or you've then brought someone in to now take over that position, to set up - I'm not knocking the computerized system; I'm all for it. I appreciate the position of the department and of all computerized systems that there can be problems with any of them. All I'm saying is: Has any new position been created to help along with this particular scope?

HON. A. MACKLING: I just wanted to confirm - as I've indicated, we asked Financial Services, or Treasury Branch, to assist in a review of the system and its costs and its efficiencies. We've asked Manitoba Data Services also to assist in a review of the system to make sure that it is working the way it ought to work with the efficiencies we expect should be there.

We haven't created any new position for that. Myron Pawlowsky will be moved into an Acting Director's position while Mr. Khan is under secondment.

I should introduce my staff: Don Zasada, the Deputy Minister; and Fred Bryans, Director of Administration; Myron Pawlowsky; and Karen Gamey.

MR. G. DUCHARME: You mentioned the costs. What was the original budget to set it up, or did we have it spread over two or three years? What was the original budget to set up the computerized system?

HON. A. MACKLING: The overall cost was an estimate of \$790,000 to be spread over three years.

MR. G. DUCHARME: Can you tell me what it's costing a month, right now?

HON. A. MACKLING: I'm given to understand that the operating costs are \$15,000-17,000, but that includes the input costs and on-line costs.

MR. G. DUCHARME: Do we have any idea what it will be over and above our estimated cost?

HON. A. MACKLING: Those costs, \$15,000-17,000, are considerably more than what we anticipated and we are waiting to get the analysis from MDS and Financial Services.

MR. G. DUCHARME: And you'll be providing us with that at some time?

HON. A. MACKLING: I don't know how quickly I'll have that. It may be months before we have it.

MR. G. DUCHARME: Also, you mentioned, and I'm glad you mentioned it because it was a bill that I felt the industry had worked on. Your Bill 42 that you brought in last year was the collapse of general insurance companies, and I was wondering - you did give us a little update - how is the Canadian Council of Superintendents of Insurance, a new program, how is it working or where is it at now at this present time?

Maybe Mr. McGill or somebody else could answer that.

HON. A. MACKLING: I'm given to understand that, while the agreement is not complete, the superintendents are working and, I gather, progressing in getting resolution to complete the program and put it in place.

MR. G. DUCHARME: Maybe while Mr. McGill is presently here, you did bring up about the financial lenders in regard to something to protect the consumer. I know that in the life insurance companies, there hasn't been one in 60 years gone under, but will this fit in the same as some proposed meetings now between the superintendents to come up with something for the life insurance companies? Would the lenders also be in the same type of category or financial investors, I should say?

HON. A. MACKLING: In respect to the Life Insurance Compensation Fund, that's not going. In respect to financial planners, that's an entirely different matter. We will be meeting with them and pursuing our objectives there as well.

MR. G. DUCHARME: Just to go on then, I'm going to probably, as I say, come back and forth a little bit. But you also mentioned in your report last year, and we were involved in the controversy of the bill and we involved a Dr. Nicolaou, his particular report, and we did receive an interim report on him in regard to the gas prices.

Could the Minister tell us: Will the finalized report be coming forward?

HON. A. MACKLING: Yes, I met with Dr. Nicolaou just the other day and his report is close to completion. He was still awaiting some final information from one of the large petroleum companies. It is at a stage though where I will be in a position in the very near future, hopefully, to brief my colleagues on the report.

We will naturally spend some time considering that report as a government but, in due course, it will be available to the public and it would be made available to the Opposition, but it's taken a considerable time. It's a very significant study and report, and it will be the subject of a good deal of government evaluation before we make a decision as to follow-up in respect to it.

MR. G. DUCHARME: Now, talking about The Trade Practices Act, I guess the primary person who did most of the expertise work on it was Mr. Ian Anderson.

I was wondering - have we had any claims? How is it going? Have there been some people come forward to that to put in claims, etc., on The Trade Practices Act?

HON. A. MACKLING: No, I'm not aware - there was one application by an anti-smoking group who wanted me to secure the approval of my colleagues to an inquiry in respect to the whole area of tobacco industry advertising. While that is a valuable concern, we didn't think it was appropriate for the inquiry route. Rather it would be more appropriate for government study and initiative on a broader field, including the Department of Health. There have been ongoing

discussions and concerns across the government generally in respect to those issues, so there was no pursuit of an inquiry in that instance.

That's the only one that I recall, other than the gas inquiry itself.

MR. G. DUCHARME: Yes, another question that came after, there was a little bit of discussion last year, and it's going on and on and we're going back to what the reason was for the introduction of the bill to protect the consumer on insurance. One of the major reasons was the Northern Union Insurance Company.

The Minister said at the time there was some up-to-date information available. I have not received it, but I would ask the Minister if he would now provide some type of information, because I know it's been probably three to four years since February of when this happened.

I was wondering - has he got up-to-date information on where they stand and when anybody's going to receive anything? I believe it's Dunwoody.

HON. A. MACKLING: I'm advised that Dunwoody and Company are making quarterly reports to the court, and we could obtain copies of the reports. I gather that they report on the monies that they've received and disbursed and the ongoing issues that are subject to litigation.

MR. G. DUCHARME: The reason why I asked - and I guess it's from the industry itself - is there any hope at all for the agents? Most customers, unless they were involved in some claims, were probably reimbursed by the insurance agents for the time on risk that was left. Most agents who decided that they wanted to stay in business and keep their name, they generally picked up the difference in the premiums.

I was wondering - is there any chance or is there any possibility of any monies coming to these agents themselves?

HON. A. MACKLING: I'm advised that Dunwoody has taken assignments from individuals and, should there be recovery, then the monies would be available to the agent.

MR. G. DUCHARME: What is the length of time that these assignments are in order, not being illegal?

HON. A. MACKLING: I understand that one of the difficulties that Dunwoody has in getting a clear confirmation as to the amounts that were owing to the company by agencies who had collected premiums and hadn't remitted to Northern Union but, in respect to the legal lifetime of the documents of assignment, they would be indefinite and would be subject to the common-law rules of action on them, I assume, which may have a statutory limitation. I don't know.

MR. G. DUCHARME: Yes, I'm just going to go to one other item since Mr. McGill's here, and then he can go. I know he's a busy man.

HON. A. MACKLING: They're all busy though.

MR. G. DUCHARME: I know they are, but I'm going to try - there's no sense me holding him up for one

question, okay. My question is, and to clarify it, on The Fire Prevention Act, maybe he would know something in regard to - and we realize that 2 percent of the insurance premiums on property go into The Fire Prevention Act.

To the Minister, the balances seem to fluctuate and so it must be quite an active balance or active fund. In '83, for instance, the balance is about \$1.3 million; in '84, \$2.2 million; in '85, it was \$1.7 million; and in '86, about \$1.7 million. I know that you've probably spent, in '83 to '86, about \$8.9 million. Could you tell me where the funds go to?

HON. A. MACKLING: The funds are used to finance the Fire Commissioner's Office, and also there was a specific and significant amount used in respect to development of the Fire College in Brandon.

MR. G. DUCHARME: Could you tell me how much went to Brandon?

HON. A. MACKLING: Staff here are not in a position to be precise in the amount, but it was \$2 million or \$3 million, I recall. I could get the exact figures, if you like.

MR. G. DUCHARME: Other than Brandon, what would be other things that it would go to?

HON. A. MACKLING: The money goes to the Fire Commissioner's Office and I know that - I'm putting on my Labour Minister's hat now because the Fire Commissioner's Office comes under that portfolio - they do spend money in respect to mutual aid districts, fire programs of various kinds and the financing of the office.

MR. G. DUCHARME: Would it go to any fire prevention funds and things like that?

HON. A. MACKLING: Sorry, I didn't bring that information with me, and staff here . . .

MR. G. DUCHARME: To the Minister, what about the FRED system? Does it come into play at all with that particular fund?

HON. A. MACKLING: There have been arguments advanced that the funds should be used to finance the FRED system; however, there are arguments that no system should be out there that does not have direct - both municipal participation, but some municipal funding. So that question remains unresolved.

MR. G. DUCHARME: Would this be the place to ask what the FRED system would cost per month for the municipalities, for 55 holders in municipalities? What it is per month?

HON. A. MACKLING: I wouldn't guess at the amount right now, quite frankly. As I say, that's under my other portfolio, but . . .

MR. G. DUCHARME: But you would get that for me. Mr. McGill can leave as long as the Minister doesn't mind.

HON. A. MACKLING: No, that's fine, thank you.

MR. G. DUCHARME: Just some general information, that it was also mentioned, I think, in the same report and it was discussed, and the Minister is probably getting a little tired of me mentioning the lemon law that I mentioned last year. I did ask some questions in the House and he did mention it in his opening remarks last year.

I think the comments at the time by the Minister is whether there will be a chance to analyze the Ontario program. This is the program that I covered quite extensively in my opening remarks in regard to the one in Ontario and the one in California, that it dealt mainly at that time with new vehicles. I know there have been cases in Canada in regard to new vehicles.

The reason why I'm bringing it up again is because there was also the problem that probably falls under Consumer Affairs in regard to probably the safety of all automobiles when they're sold from one party to another. I know it was brought up to the Minister in charge of MPIC in regard to the Autopac write-offs, and he was working on that at the time.

There's also the other case of the private sales, not just the Autopac ones, but between one individual and another. Right now there's no requirement for safety inspections to be carried out when you sell from one individual to another.

We know that sometimes when the provincial government calls in an automobile, if it's in one spouse's name, they'll just change it to the other spouse and avoid the safety check and just register it again. It's a couple of years before they get caught up again. There are quite a few automobiles out there that are unsafe and, when people come to register a vehicle, you know that they're legally entitled to register a vehicle.

I was wondering whether the Minister has had any chance to talk in regard to the whole concept about safety vehicles on the highways or whatever they are in regard to the Highways Minister or the Minister in charge of MPIC, because now, as of April, I think he's responsible for all safety vehicles.

I think it's something that's very, very important and I know it's not completely in his jurisdiction, but it is something that deals with consumers and it's something that we could probably control a little bit better than what we're doing.

HON. A. MACKLING: I thank the Honourable Member for those concerns.

To deal more specifically with the new car follow-up or arbitration in respect to complaints, that whole area, we are endeavoring to monitor the Ontario development which is developed by the Motor Vehicle Dealers' Association and is a voluntary system there. It's not legislated, mandated by legislation, but it is a two-year trial. We would rather it be shorter so that we could look at the results because I think that one would be generally convinced that sort of development makes sense.

You might say that in the new home field, as a consumer matter, the Home Builders' Association have a warranty program. Recently I participated at a ceremony where we presented an item - the 10,000th new homeowner participant in that warranty program.

So I really believe, and as I've indicated to the industry, where they can do those things themselves and provide market satisfaction, customer satisfaction, that's eminently desirable. The government, on behalf of the public, should be intervening where it's necessary to intervene because industry has failed to look after the problems.

We understand and we don't know how fully fleshed out this program is yet, but the Honda Motor Corporation has indicated that they are going to establish a warranty program that will provide protection for buyers of those automobiles. We understand that will be set up in Manitoba as well as other parts of Canada.

In respect to new motor vehicles, generally, I had a meeting with the Motor Vehicle Dealers' Association and indicated to them another consumer concern, and that was in requiring that the motor vehicle dealers put the recommended sticker prices of the manufacturers' recommended prices on the vehicle so that customers, when they look at new vehicles, will have an appreciation for what the manufacturers' recommended list price is. We feel that should be a matter of information that is available to the buying public without having to search elsewhere for that information. We've indicated, because those concerns were passed on by consumers, that we would like to see them do that without the necessity of compulsion and they certainly did not indicate opposition to it.

In respect to the repair and return to the road of badly damaged vehicles, in respect to the Autopac write-offs, my colleague, John Bucklaschuk, has indicated that initiatives are being pursued in respect to that. My department has had some involvement with Mr. Bucklaschuk in reviewing the appropriateness of the kind of intervention that's necessary. I understand that should be coming forward this Session, whatever is necessary to strengthen the position of regulating the extended lifetime of any vehicle that has been initially written off by Autopac.

So that area will still be something that will come forward to the Legislature. I think I'll leave it at that.

MR. G. DUCHARME: The reason why I mentioned about the used vehicles is because I notice that even dealers - and I've already mentioned private sales of private people, spouses to spouses, to avoid their cars being taken off the road. There's the other problem. We know that salesmen with dealers who are selling cars as a private sale to avoid not passing a safety certificate, so what they'll do is they'll sell the vehicle privately from a salesman to another individual instead of selling it through the company.

It's a concern of mine because I personally see them come in the office. I personally see some of these automobiles that are on the road and people not realize what they've gone through. I know that the Minister has commented on the MPIC. MPIC has an advantage because they'll be able to control them. They'll be able to control on the computers whether this vehicle was written off through the serial numbers, etc., but whether they control it or not, there has to be some system. If they sell that vehicle to somebody who is going to repair it and then that person turns around and sells it privately right now, there isn't any control over it.

That's what they're really going to have to straighten out.

Just some general information on fees, and I've gone through and checked some fees out over the last several years. It concerns me, the increase in fees. I know the Minister hasn't been actively involved in the real estate business, so he hasn't had to register too many mortgages in the last few years, but in '82 and '83, for instance, they were \$6, and in '85 and '86, you notice they're \$16.00. Now it might not sound like much, but there's an increase of 167 percent.

In the register of land titles in the real property, '82 and '83 was \$7; '85 and '86, it was \$17 - 143 percent. To incorporate with share capital, in '76, it was \$135; in 1985-86 now, it's \$220, about 63 percent. To incorporate without share capital, in '76, it was \$18; in 1985-86, it's \$50 - 178 percent. A licence or trust or loan corporation fee, in '76, it was \$50; in 1985-86, it's \$100 - 100 percent. Licence fees for underwriting brokerage investment, in '76, it was \$350; 1986-87 is \$750 for 114 percent.

Another one that I noticed this year - and it was quite alarming - was the amount of a securities licence, from '86, it was \$100; this year, it's \$300 and it's 300 percent. Now I know, by some of the estimates, that we do have to increase some of the fees.

I was wondering why or when you were setting up or when you're reviewing - you said you were going to be reviewing some of your information - why we do not have a graduating increase in the type of fees that are on stream? If they're the right fees now, why do we not now have a gradual increase on a year-to-year basis and determine the costs so that, all of a sudden - it might not sound like a lot, but when a staff person has maybe 20 people on staff or 10 people on staff, it's a small business and all of a sudden now he's looking at, instead of \$1,000, a \$3,000 bill announced, boom, in a short period of time, and he comes up with them in January.

That's why I'm saying is that now, if we are going on stream, we do look at these types of fees that we not bring in some type of gradual increase every year.

HON. A. MACKLING: I agree with the honourable member that fee increases ought to be carried out or at least reviewed and, where necessary, the increases should be on a regular basis and not postponed such that, when an increase does take place, it's a marked increase. I think that the idea of regular review and, where necessary, the more moderate increases makes eminent good sense. That's certainly what we will strive for as a department.

Within the department, there were areas where, although increases had taken place, there wasn't really a hard look at providing for a fee structure which really provided for reasonable compensation back to the taxpayers generally for the kind of particular services that were provided to an industry.

So there have been significant increases in some areas such that we intend to try and recover a reasonable percentage. Now it won't be the same percentage in every instance of the cost of the operation. For example, in securities, although the honourable member didn't mention securities, there were significant increases there because we felt that

industry, while the public generally benefits from the fact that industry has available to it a financial securities mechanism that will check and determine the worth and make sure that securities issuing is done properly and reasonably, and therefore investor confidence will be maintained in the area, nevertheless it's a rather specialized area. Those who use those services should be paying fees which really cover the bulk of the costs of the operation of that regulation. We've looked at that in respect to the broad cross section.

Now in respect to consumer services on the other hand where it's a very broad service, we have relatively no fees. I don't believe that we charge people in respect to the general consumer area, except where they are licensed under a particular act, like the Direct Sellers and so on. There again, we've looked at trying to make those costs meaningful so that at least we recover our costs of operation of providing for those licences.

We take a pragmatic approach, but I agree that we should be looking at them on a regular basis.

MR. G. DUCHARME: Just to get into some other tax increases, because we're dealing with both Consumer and Corporate, there's the corporation capital tax. The banks - we'll be accused of being friends with the banks, but fortunately I am on the side to deal with both this particular day - for instance, in '81-82, we had an .8 percent increase; and in '82-83, it was 2 percent; in '86-87, 3 percent. So we are looking at people saying that some of them aren't paying their shares - a 275 percent increase.

Then we go to the corporation capital tax for the loans and trust companies. Theirs in '82-83 was .6 percent; '85-86 was .9 percent; '87-88 was 3 percent, which over 1982, five years, is a 500 percent increase, just for the record, and bringing it on. You can make your comments but I'm just saying that it concerns me that how long do we keep doing this? I've tried to pick on both sides. These increases, and the tax increases especially, when you see those types of numbers, are alarming.

HON. A. MACKLING: Well, the tax field is certainly not under my responsibility as Minister of Consumer and Corporate Affairs. I commented about fees, and I think fees should be reasonably structured to recover the basic costs of the service in most instances.

But in respect to any tax, if you have a 1 percent tax and you change it to 2 percent, it still may be a very small tax but that's a 100 percent increase. I agree that the percentage change can look staggering, and yet the practical effect may not be all that arduous in a particular industry. But that is not under my portfolio. I'm not Minister of Finance.

MR. G. DUCHARME: Philosophically, we could be going on like that for a couple hours, so we won't.

HON. A. MACKLING: That's right.

MR. G. DUCHARME: I have just some other increases that probably bother me if you're talking about consumers. We talked about the gas prices and I know, when the doctor comes back, I hope he reveals information that shows that when they did have the

bill that they have in Nova Scotia - and I brought it up during the Trade Practices comments, and I made those comments. They've had that bill for a long length of time where they still have continually shown that through control that the Minister has talked of, through regulations - you don't want to control them completely. In that particular province, if you look at the gas prices, they have stayed the highest retail margin in Canada consistently.

I know right now in Manitoba, we've got the third highest tax percentage pump price in Canada. Yet we're the third least profitable retail margin in Canada. I just made some inquiries to try and find out where we were, because it seems that we're getting stories from all over the place on who is to blame in this particular game. I'm not trying to jump back and forth to the doctor's information. I hope in his report that he covers some of these inaccuracies that we seem to be getting.

HON. A. MACKLING: Well, I think that the honourable member is right. There is a lot of misunderstanding about the problems that we face of what I think is an intransigence on the part of the industry to accept the fact that when the basic commodity that the industry relies upon to make its finished product - it's a very basic element - that if your ingredients, the raw product, costs you considerably less, then the end price should reflect that reduction. Crude oil prices dropped dramatically. The retail prices did not reflect that. The industry argued, well, there was a through-put period, a long period. They argued 90 days or better but when the gasoline was going up in value, they argued the other way, that they could increase the prices much more quickly because, you know, the through-put time was much less.

I had meetings with the major petroleum companies and I have to indicate that the information that was exchanged was very candid. Sometimes I could say that there was almost a little bit of hostility in the air in the exchange I had with some petroleum companies because I indicated to them my concern that there wasn't the degree of competition that I felt might exist between the major oil companies, that they seemed to universally reflect a high price in Manitoba. That didn't sit very well with some of the representatives from the oil companies and we had to agree to disagree.

I'm hopeful and quite confident that the report that Dr. Nicolaou brings forward will shed a good deal of light on that relationship between the crude price changes and the retail pump price changes and how they should be working in harmony but haven't been in parts of Canada where competition is less by virtue of the circumstances of the industry.

MR. G. DUCHARME: I hope that the report by the doctor will probably answer a lot of concerns. To the Minister, maybe next time he wants to go and talk to the oil people, they weren't as candid with me, so maybe we'll go together or something next time.

I also go on to something else that was brought up on the floor and, unfortunately, was in regard to the Consumer Corporation of Canada. Maybe that was that unique service that was threatening to be lost and maybe he's got some update for me. I'll go on record as disappointed. I know the feds cut back on their

funding for that and that doesn't make it good that they cut it back. I'm convinced that it's a very important consumer need. I know it saves your particular people a lot of work because I know, even in your report, you mentioned your workings with them. So if you hadn't worked along with them and hadn't participated a lot with them, you probably wouldn't have mentioned it in your report. We know that it's gone on record that it helps 400-500 Manitobans monthly, telling the consumer in unbiased, objective answers to questions they face every day.

I did do some phoning to find out why the feds had cut off some of the expenditures. The only answer I could get was that they had a national office to handle - they do support a national office. I did check with Alberta and Alberta contributes \$20,000 and a free office; Ontario is \$50,000 a year; Saskatchewan is \$10,000 and a free office. I think the Minister was down to contributing \$10,000; they needed \$12,000.00. I don't know whether he did maybe help them out with their office space. I think he was mentioning it at the time, or there was a rumour that you were going to help them out with some office space.

HON. A. MACKLING: In respect to the grant to the Consumers' Association and its continuance, our grant has not been reduced; as a matter of fact, it has increased, but not to the extent that they would like. The increase will go from \$10,000 to, I think, \$10,400, in round figures.

In respect to the work they do, I'm on record as being very pleased with the kind of work that body has been able to do over the years. It's particularly helpful in the consumer product evaluation, because I think it's something that really becomes a little awkward for a government department to be saying Maytag is good and Whirlpool is no good, or our results indicate that Maytag is a better kind of washing machine to get than Westinghouse, or whatever. That sort of thing is an area where it's better, I think, that government isn't making that evaluation, that there be people who are volunteers, disinterested in any commercial or monitoring aspects.

Funding is an extremely difficult matter for our government. The honourable member appreciates the agonizing that has taken place in respect to monies for every department, whether it be in Highways, or in Health, or in Education, we are not delighted by the fact that members of the Opposition can ask questions in respect to government areas where, because of tight funding, institutions have to look more carefully at their budgets and they tend to blame the Provincial Government.

If the honourable member, and I'm sure you have, looked at the dollars in this department, they are very lean. We have, in particular areas, cut here and cut there in order to satisfy the overall government requests to find ways to do more with less dollars. When I said that in my remarks, that is not exaggeration. There just isn't additional money from which we can draw to facilitate the Consumers' Association and to go to my colleagues and make a case for additional funds where the Federal Government has withdrawn, is doubly difficult.

I indicated my concern, I gave suggestions to the Consumers' Association as to where alternative sources

of funding may be realized. They are pursuing them and I wish them every success.

MR. DEPUTY CHAIRMAN, D. Scott: The Member for Riel.

MR. G. DUCHARME: I agree with the Minister that they do provide that national voice on consumer issues and they provide it here where you do have to have that other voice either being the person who is manufacturing the product and/or the government who is making regulations. I think that is probably why they are a unique group and, if I was the Minister who's on record, I and my staff wouldn't want to lose such a group. You certainly could use them when you do get into those circumstances of wanting our opinions.

Mr. Minister, you also mentioned in your Estimates of '86, and again you mentioned it today, you're not completely convinced - and this is the travel industry - that what they have come up with is completely to your liking. I have to agree on that particular matter because, when I brought it up in the House and you mentioned last year, the Unitour Vacations was forced to declare bankruptcy resulting in some consumers losing money they have invested. You had mentioned that your department was concerned about future bankruptcies and was investigating how the government can help Manitoba consumers. You also mentioned discussions had taken place with the Association of Canadian Travel Agencies.

You did mention today in your opening remarks that these discussions have taken place and I imagine they're ongoing. You're going to keep these discussions and probably try to keep a handle on what's happening, considering the latest type of bankruptcy that's occurred. I know that's one of the Esprit Vacations Ltd. I think these ones we've mentioned, along with the type of bankruptcies, the Strand Holidays ones, the travel failure of Sun Flights, Skylark in '82, affecting probably thousands and thousands of travellers has probably brought a big concern that, Mr. Minister, I think it's probably time to establish some type of bill re travel like they do in Ontario and British Columbia, the same type of maybe some type of regulation dealing with this industry, the same as we deal with the insurance and the same as we deal with the real estate, the same as we deal with securities.

I, like you, do not want to overregulate these people, but there is the scare out in the streets and you do get a lot of people who don't understand that they can buy an extra insurance to cover them. Maybe it's not explained properly to them. I know that in Ontario they've had it for probably 10 or 12 years and, if there aren't going to be any claims, they've paid out probably in the last 12 years something close to \$12 million in claims which is probably close to \$1 million a year to people who probably invested a lot of money to take a trip. As you realize, it's very expensive to travel.

In Ontario, delving out the money does not even count the less publicized functions in closing down of agencies in financial trouble before the problem occurs, or the volunteer closures that probably resulted in Ontario as a result of discussions with their travel registrar. The travel registrar probably could work as he's done in those provinces more closely with the

police fraud squads to clamp down on the criminal activities in the travel industry and there are some.

The job would also be to scrutinize financial statements, especially to look for those to be underfunded and living off the consumer payments, the cash flow that really isn't theirs. The cash flow that a lot of realtors if they didn't put in trust accounts could probably live off and some do, but also, in this particular case, trust Ounds are not required. Maybe you do have to have the regulation to find out that this party when they are in trouble have to come up with new financing to get back in the black, maybe produce a letter of financial guarantee or the alternative is to close up. I'm not here to close up anybody.

Most travel agents out there are excellent, however, they are competing with some that maybe are not what they should be and not following some rules. I just think it's about time we came up with some responsible legislation like we do in the other industries. I know your staff does handle consumer complaints, but they should also handle the investigation, handle the complaints, the powers to inspect, to go right in and inspect the licensed ones, check the credibility of their advertising. I know that you do check some complaints in advertising, certify that their money held in trust is in trust - they should be bonded - be able to impose penalties. We do not have those powers now and to some travel agents out there, they'll say, where's this guy coming from, I thought he's one to help us out. Well, that's exactly what it's always been. You help people out by having these regulations and not to impose any restrictions, buy everybody who goes in there, and our job is to probably protect the consumer, and I think that's one thing that we should be doing.

I reviewed the bill that has been put out, reviewed quite a few bills that have been put out, especially the one in Ontario and it's quite an extensive list of regulations. I think it goes from (a) to (m) and I'm not going to take the time today to read it all out, and I know that the Minister has had his staff look at these types of regulations that are necessary. I don't know, you did mention a little bit, that you were concerned, are they on a stand-by, or what will be the way of you monitoring, that some of these that organize charters and stuff like this, are doing it and doing it right.

HON. A. MACKLING: To deal with the question the critic poses at the very end, we will be talking with the industry and asking them to confirm the use that's being made of the insurance provisions and satisfy ourselves that the industry is fulfilling the mandate that they had to look after the industry because they know that if the industry is embarrassed by any repetition of failure, where consumers lose, the industry as a whole suffers.

They're conscious of that fact, and I'm impressed by a concern of industry spokespersons that they do want to ensure that the public is protected. I think there is still too much, not indifference, but lack of concern to the point where they put themselves out to ensure that consumers have been fully briefed as to the availability of insurance and that they satisfy themselves that the insurance is reasonably affordable. They advise me that it is quite likely that rather than one agency, as is now presently available to provide the insurance,

there may be a second agency or a third that will be available, and that would make the costs of the insurance protection much more competitive. It appears that may be a part of the concern as to why individual travellers haven't been taking out the insurance that otherwise would be available.

We are disappointed - I think I speak for everyone, generally - that the concept of a national insurance funding was not pursued, because it would have meant that, for a relatively small amount, a token amount on each person's travel arrangement, it would provide a very effective national program, and that fell apart for the reasons I've described earlier.

We will continue to raise our concerns nationally at Ministers' meetings, that we should give consideration to a national program being developed. But in respect to the Manitoba scene, we will continue to monitor that and, if the industry doesn't attend to the problems and exercise the obligation that's theirs, then we will consider regulating.

I might say that I find the honourable member's arguments very hard to rebut. There's no question, but these people are taking on a position of trust. They take people's money and they take their fond dreams and expectations for a break from their otherwise activity, whatever that is.

Where that dream is frustrated and the money lost, it's a traumatic experience in the lives of people. It is a burden and these people, generally speaking, appreciate the fact that they're in an industry where there are growing numbers of people who invest considerable sums in maybe once-in-a-lifetime trips or trips for special and unique occasions. It's a fairly lucrative business for the industry. They appreciate, I believe, the concern we have as government.

We have assured them that we are not going to regulate at the present time, but they have no assurance that we're not going to regulate if we feel that the self-insurance provisions that they've developed are not satisfactory.

So we will be monitoring that, and I say to the honourable member, while he's a Conservative, he speaks in this area like a New Democrat. - (Interjection)- No, I'm being very serious - that we're for enterprise - private enterprise. We're for the human initiative that's necessary in private enterprise, but it has to be responsible where they're in a position of trust - there is an even greater responsibility - and where it's necessary that you regulate that responsibility, and I agree with that.

MR. G. DUCHARME: I'm not trying to claim to be a New Democrat . . .

HON. A. MACKLING: You're a closet socialist, that's what you are.

MR. G. DUCHARME: No, but there are times when you have to compete fairly and I'm saying everybody should abide by those rules. There's nothing wrong with someone making money and that's what the whole game is about. All these people aren't there because they love travel so much that they don't make any money in it. And you're right, you mentioned about the amount of money someone puts down - you can go

to China or Japan - \$15,000.00. You can imagine it's quite a cash flow out of some of these, and I'm saying that we have to protect that cash flow.

A lot of those people don't understand when they go to a shop what they're signing or what they're doing. If someone's competing out in the marketplace and they can cut off the insurance fee of \$500 for the trip, they'll say, hey, I'm saving you \$500, and we know that happens.

All I'm saying is that most people don't understand and the ones who are trying, the good free enterpriser, who's competing in the marketplace and doing a good job, he's not competing in the same rules.

I should have actually asked the question when Mr. McGill was here and I didn't, but I mentioned to the Minister, I think I wrote him about a month ago in regard to the Laurentian Mutual Insurance Company in regard to whether there'll be some act amended to permit them to do business in Manitoba. You mentioned that you expected a bill to be coming forward so that they could operate with a provincial licence and not with a federal licence.

Will we see this, this Session?

HON. A. MACKLING: It's certainly my intention to address that problem. I'm hopeful still that, depending on the speed with which the system will reflect our good intentions, we'll still be able to deal with that this Session. I'm just giving my Deputy Minister, kind of like the shot - I haven't seen a bill with a draft in it.

MR. G. DUCHARME: I have nothing to gain to keep pushing it. I don't sell any of this type of insurance, so that's not why I'm pushing it.

HON. A. MACKLING: No.

MR. G. DUCHARME: It's just that it came to me from there and apparently we are the only province that has not agreed to allowing more. Anybody who'd looked at the statements in the last - I think it had even shown that they were probably one of the 10 top companies in Canada. You know, they're not coming here without good background and good . . .

I also did talk on the drug. We're on the separate side of the issue on that one, which normally we are. I don't agree with a lot of the comments that were made on both sides. I don't agree with the resolution that it even be brought forward to the House. But we've all had our kick at the cat on that one, on Bill 22. I know you made your comments and you mentioned that you were appearing at the Senate hearings. There will be quite a few people probably appearing at the Senate hearings and they'll get another chance to kick it around.

We both have talked on the Sunday closing by-law, so I know that's in our jurisdiction. I won't make any comments today on that.

Mr. Minister, the Main Estimates contain very little changes. So we'll do that at the end, and I've got some questions just on the annual report and we'll be just about finished.

I guess it would be on page 8 of the annual report. On page 8, I was reading through it again and it has Consumers' Bureau; it has mentioned about "Bedding,

Upholstered and Stuffed Articles" and "Hearing Aid Act" - I'm using those examples. When was the last time - and I noticed these are some of the duties that you'll be going through a lot of these acts - a study was made to see whether all the acts are up-to-date or are no longer required, because things have changed over the years? Are a lot of them still required, like, say, the bedding, upholstered and stuffed articles?

HON. A. MACKLING: I am given to understand, in that area, there is a divided constitutional responsibility and role, and the Federal Government plays part of the role and we play another part of the role to protect the consumers in respect to products that involve those areas. If we could get agreement by one jurisdiction, it would be delegated with all of the responsibility, one or the other. Either the Federal Government or ourselves could take on the complete responsibility, but it's still necessary to have this legislation.

MR. G. DUCHARME: I was under the understanding that the Federal Government were also involved in this. I wasn't aware that we still required both to do that.

HON. A. MACKLING: It's my understanding, yes.

MR. G. DUCHARME: The Hearing Aid Act and Regulations?

HON. A. MACKLING: The director of the Consumers' Bureau is the chairperson of that board. The Department of Health has more direct involvement with the ongoing monitoring of the hearing aid use and adequacy than does the Consumer Affairs Department, but dealers are licensed and required to meet the standards that are provided in that act. It's still a necessary act.

At one stage, I recall that there were very, very flagrant abuses in this area and as a result of the widespread public concern that something be done to regulate the abuses that were taking place, particular of seniors, that this legislation was developed. One could argue that now the industry is functioning pretty well, maybe the regulation could be set aside, but should that happen, perhaps the same sort of problems would emanate, so I think that the legislation still plays a very useful role.

MR. G. DUCHARME: And what type of complaints do you get from the embalmers and funeral directors?

HON. A. MACKLING: That's a deadly question. Again, it's an area where we do get consumer concerns in respect to the quality of the services provided, the type of service that is provided and whether or not the person is qualified to provide the service in Manitoba. Again, it's an area where, if there wasn't regulation, the likelihood of more people being victimized by unscrupulous business people would be more likely. And it doesn't cost us very much.

MR. G. DUCHARME: Page 9 of the same report just to keep going, mentions supply and consumer information to buyers and sellers, borrowers and lenders. Do you also supply consumers information to libraries, high schools, etc.?

HON. A. MACKLING: Yes, we do supply pamphlet materials to libraries and other educational facilities.

MR. G. DUCHARME: Also mentioned in the same, it's the next one, is providing a forum for hearing, investigating and mediation of consumer complaints. Could the Minister tell me when you are providing a forum, what do you do in this regard?

HON. A. MACKLING: While staff are just readying a response for that, let me just confirm that in respect to the earlier question. It was advised there were 110,000 brochures distributed to schools, consumer groups and organizations, municipal offices, and for displays and other presentations.

In respect to the Consumer Affairs Branch role in respect to complaints, a complaint is made to the branch; a consumer officer will respond to the complaint; and in most instances, if there is - there may be a lack of understanding on the part of the complainant - if there is substance to the complaint, we'll communicate with the other party involved, the business involved, and seek to solve the complaint through mediation. In most instances, that is the extent of the involvement.

Where the complaint involves something that could not be resolved by mediation, then of course the consumer officer may recommend to the individual that they seek relief through the courts, through engaging a lawyer if it's something that's unresolvable by mediation or otherwise. If it's a frivolous complaint they'll be so advised as well. There are instances where, if the complaint gives rise to the determination by the Consumer Affairs officer that there is a very serious public wrong involved, then the director and others will review it and we have sent detailed information to the Attorney-General's Department and the Winnipeg Police where necessary or the RCMP, if it's a matter in rural Manitoba, for action on the part of the public authority, the appropriate police authority.

MR. G. DUCHARME: In regard to the last, on functions of Consumers' Bureau, speaking to consumer business and service organizations, how do you go about telling service organizations that you'll come and talk to them, or does it come from the members that all of a sudden, out of the air, say we'd like to talk to you, or do you let these people know that you will go out and speak to their groups, and speak to the service groups, etc.?

HON. A. MACKLING: The branch has an outreach program and individual consumers become aware of the role of the Consumer Affairs Department in government, and become concerned to share the kind of information they have received with others and ask whether or not it's possible for that information to be shared in a broader base and then also the department maintains a volunteer program where consumer volunteers assist the department in providing consumer information and outreach in respect to the general consumer program.

MR. G. DUCHARME: I know I did mention already about the Canadian Consumers' Association, and I know you've mention it in your information sheet, the

third paragraph on the left column. If they do discontinue, which I hope they don't, will you have to probably provide more information to libraries, or would you say that role that they're providing will not be one that you'll really get involved in because of what the Minister had said earlier, that they act as an independent body? Will they create some expense to you if they get out?

HON. A. MACKLING: That is hard to quantify, and I know the Consumers' Association believes that there would be a significant impact on our department, should they close their doors. They may or may not be assessing the situation with precision. It's hard to determine.

There is an area that would be a problem to us, and that is the product monitoring. I think what we would have to do is, through some additional involvement of volunteers because we do have our own volunteer program, look to address that gap in what otherwise we would be handling. But we're not expecting them to shut down. We're hopeful that they will find alternative funding.

MR. G. DUCHARME: I hope they don't either.

In complaints, the second paragraph, 1985-86 home renovator complaints, and I noticed in newspapers - I didn't bother bringing them - you see such headlines as, "Seniors Bilked." I know there was one in April, a bad one. There's been mention in the report of an increase, and I had asked last year about penal bonds and whether the amounts have been changed, but I guess the ones we're having the problems with don't even bother having penal bonds. I noticed the increase in the seniors, and maybe it's because there's more money available for them to do that.

Does that consumers' group go out and speak to the senior citizen groups that are in the areas, because they seem to have the groups. They're a type of an area that easily - they're always looking for people to come out and speak to them. I'm wondering whether you people, when you hear about these types of vandals around taking the seniors to task on home renovations, do you go out and speak to them?

HON. A. MACKLING: Yes, we have with us Karen Gamey, who heads up that volunteer program, and that is the major area of communication priority with senior consumers, and a good deal of effort is carried out in communicating with them.

I've also indicated my concerns publicly and the media has, I think, done a reasonable job of again reporting on those concerns. In the home renovation field, the member's quite correct. The news stories reflect cases that we have referred to the police where there was unscrupulous conduct on the part of people who were taking advantage of seniors, falsifying conditions of homes and selling proposed renovations at exorbitant fees. As a result of the investigations by police, charges were laid in a number of cases. So we are very concerned about the abuse in that area and have been very anxious to communicate those concerns.

In the last year, during Crime Prevention Month, there were consumer presentations made to the Age and

Opportunity Centre, the St. Vital Senior Centre, the Selkirk Avenue Senior Centre, the Smith Street Senior Centre, Fred Douglas Lodge, the Main Street Senior Centre and - I can't read that last line - but anyway a very active concern and involvement there. We have asked the RCMP in the rural area to be particularly sensitive to the concerns we have out there.

MR. G. DUCHARME: The reason why I asked the question is because I know the City of Winnipeg has a couple special officers that all they do is work with the seniors, and we can all appreciate that a lot of them will not come forward. They're scared to come forward. I know, even on police matters, they're very nervous in coming forward, and I'm glad you've made us aware that we do go out and talk to them because that's basically all it takes.

HON. A. MACKLING: I'm advised that we work closely with the two City of Winnipeg police officers that the honourable member has referred to, and we're also involved in the Officer Training Program so that the new officers are well-versed in the interest and concerns of the Consumers' Bureau.

MR. G. DUCHARME: I'd just like to mention, in the next paragraph, it mentions decreases and complaints in regard to home furnishing, mail orders, etc., while increase is recorded in automobiles, travel agents, credit cards. Just to mention that I didn't read this till after I started my questions on the travel and the automobiles, so I guess we're on the same wavelength there that they are increasing.

Page 11, the last three lines, starting with "As well," under "Speaking Engagement" - ". . . staff training for Credit Unions, Caisse Populaires and car dealerships." - what do you mean by that, that you have participated in staff training?

HON. A. MACKLING: We make it known and invite ourselves to participate in staff training where credit unions, caisse populaires and car dealerships have training programs for staff, so that we can give them information, understanding and knowledge of The Consumer Protection Act and how that can be employed and what the rights are of consumers in respect to that act.

MR. G. DUCHARME: Page 12, maybe tell us, Item 1, your Speaking Engagements, what's your staff that you have who goes out on speaking engagements, do they combine staff, or what is the staff who goes out and speaks to these people?

HON. A. MACKLING: I'm advised that we have 11 officers who can be used and are called upon to provide and fulfill speaking engagements and functions. There are 12 volunteers who also are able and they are willing to participate in speaking engagements when called upon.

MR. G. DUCHARME: On the same page, what do you mean by "Carry over from previous year"? Maybe you could explain. You say 542, 697. What do you mean by that?

HON. A. MACKLING: They are just long-standing, outstanding files where, say, it was a home renovation or something and there was an ongoing argument about it, it would remain an open file, while there was in the view of the Consumers' Bureau officer who had the file, a possibility of doing something further with it, rather than close it out and some of these things take a long time to resolve.

I'm given to understand that since there are a significant number, it's not that there's a lot of long old files but this is at the cut-off period. These files are still outstanding, so they may be relatively short term.

MR. G. DUCHARME: So really, then, the numbers from one year to the other really don't mean anything. Okay. I don't mean they're not problems but they don't - how long do we keep on file complaints outstanding? How long do we keep them generally?

HON. A. MACKLING: There can be instances where the time when the file is opened and before resolution is upwards to two years.

MR. G. DUCHARME: We have a car dealer that you hear nothing but complaints on but, as I appreciate, your bond and your dealers are through the Motor Vehicle Branch. Is it not? You don't have anything to do with that at the present time?

Would you get in touch with the dealers - I'm talking about the Motor Vehicle Branch - and explain to them we've got all these complaints on this individual over a long period of time?

HON. A. MACKLING: Yes, we would get involved.

MR. G. DUCHARME: When also it says at the last one, before Charges, Outside Special Activities, what does that mean?

HON. A. MACKLING: In most instances, it may be that the department, while not directly involved, is indirectly involved in assisting another department in a comparable interest or issue, or it may be something that the Deputy Minister has asked for to pursue an interest that may not be directly with the Bureau but departmentally significant.

MR. G. DUCHARME: The last bit of information with regard to reported, on page 23, you mention that your revenue - and I guess this is why you're increasing your fees - your revenues are up about 9.4 but your expenditures are up 18.2. I didn't compare it to last year's. Is that normal?

HON. A. MACKLING: The honourable member is referring to the total Consumer and Corporate Affairs legislation and profit development?

MR. G. DUCHARME: Yes, that's correct.

HON. A. MACKLING: The revenue there is up.

MR. G. DUCHARME: It was at \$20 million and . . .

HON. A. MACKLING: Yes, it's up about . . .

MR. G. DUCHARME: 9.4 from the year, 18 to 20 and then - I'm looking at the statement and it hasn't changed that much, and I'm saying that the first two lines re revenue and expenditures are up. There's quite a significant difference, and I was wondering what it was.

HON. A. MACKLING: I'm given to understand that the increase there would largely be - well there are some small increases, volume or small fee increases. The bulk of it would be the fire insurance tax, the corporate fees and the securities fee changes -(Interjection)- the expenditures?

The expenditures side is mainly the election costs that fall under the departments involved.

MR. G. DUCHARME: Under departmental totals, I looked it over and it didn't jive at first. I guess it's a typographical error and you put brackets where there shouldn't be but, if you look over under variance, the 57.4, that would not be an underexpenditure. That would be an overexpenditure, would it not, Public Utilities Board? You've gone from 702 to 759.

HON. A. MACKLING: Yes, that's right. The brackets shouldn't be there.

MR. G. DUCHARME: Because you total it up, it's 70.1. Okay.

HON. A. MACKLING: But all that, in respect to the Public Utility Board, is fully recoverable from the parties.

MR. G. DUCHARME: Then the only question I have that finishes - to go through if you want to go. Can we just pass them as - just one question and then we can just pass the whole thing through. I'm talking about under the operating expenditures and such.

On page 38, the only real difference is Other Expenditures are going from \$299,000 to \$464,000.00. That's the only large difference from the budget from one year to the other. Is this due to the . . .

HON. A. MACKLING: Is this Corporate Affairs you're looking at or what?

MR. G. DUCHARME: Consumer and Corporate Affairs (V) on page 38, right at the bottom on the left hand side, \$464,100.00.

HON. A. MACKLING: This is in the Supplementary Information?

MR. G. DUCHARME: No, it's in the Main Estimates under Corporate Affairs. If you go, it's \$464,100, and they're at \$299,000 . . .

MR. CHAIRMAN: A saving of almost one hundred-and-some thousand dollars.

HON. A. MACKLING: That's in the system development with the new automated system.

MR. CHAIRMAN: You spent money last year, and you didn't spend it this year, is that it?

HON. A. MACKLING: That's right.

MR. CHAIRMAN: Administration and Finance 1.(a) to 1.(d), inclusive, were each read and passed.

Resolution No. 35: Resolved that there be granted to Her Majesty a sum not exceeding \$639,700 for Consumer and Corporate Affairs, Administration and Finance, for the fiscal year ending the 31st day of March, 1988—pass.

Appropriation No. 2. Consumer Affairs, 2.(a) Salaries—pass; 2.(b) Other Expenditures—pass; 2.(c) Grants—pass.

Resolution No. 36: Resolved that there be granted to Her Majesty a sum not exceeding \$798,200 for the Consumer and Corporate Affairs, Consumer Affairs, for the fiscal year ending the 31st day of March, 1988—pass.

Appropriation No. 3. Corporate Affairs, 3.(a) Corporations Branch: (1) Salaries—pass; (2) Other Expenditures—pass.

Resolution No. 37: Resolved that there be granted to Her Majesty a sum not exceeding \$3,006,500 for Consumer and Corporate Affairs for the fiscal year ending the 31st day of March, 1988—pass.

I neglected to read (b) and (c).

(b) Salaries \$229,900; Other Expenditures \$37,200—pass.

(c) Manitoba Securities Commission: Salaries—pass; Other Expenditures—pass.

(d) Public Utilities Board: (1) Salaries—pass; (2) Other Expenditures—pass.

Thank you very much.

SUPPLY - URBAN AFFAIRS

MR. CHAIRMAN, C. Santos: Committee of Supply, please come to order. We've been considering the Budget Estimates of the Department of Urban Affairs.

We are now on Item No. 3.(a) Urban Policy Co-ordination, Salaries; 3.(b) Other Expenditures; 3.(c)(1) Canada-Manitoba Winnipeg Core Area Agreement: Payments to Other Implementing Jurisdictions.

3.(c)(2) Payments to Other Provincial Departments - the Member for Charleswood.

MR. J. ERNST: Thank you, Mr. Chairman.

When we left off yesterday afternoon, we were discussing a number of points that were contained in the White Paper on changes to The City of Winnipeg Act. We had dealt with a number of the planning issues.

The next issue that I'd like to deal with, Mr. Chairman, is the statement, "The province should provide leadership in the management of environmental and resource-related issues." I couldn't concur, Mr. Chairman, more than that.

What's been happening with respect, and particularly with respect to Shoal Lake, is that there hasn't been any leadership shown by the Provincial Government. There hasn't been any leadership shown by this Minister with respect to that issue.

The issue of Winnipeg's water supply, of the danger that's been presented by potential developments in the area of Shoal Lake over the past five or six years, has been a very great cloud hanging over the citizens of this city. The potential cost to the city for water

treatment in the area of \$100,000, capital cost, Mr. Chairman, still won't give the City of Winnipeg a reasonable water supply even after treatment, not the same as they've enjoyed for the last 50, 60 or 70 years.

Mr. Chairman, in 1919, when the City of Winnipeg's water supply opened at Shoal Lake and started flowing to the City of Winnipeg, the citizens of Winnipeg since that time have enjoyed probably water that's the envy of every major city in North America.

Now, Mr. Chairman, this Minister has not shown the kind of leadership that should be shown, and I'm surprised that he would put in the White Paper a statement, such as "The province should provide leadership in the management of environmental and resource-related issues," because they haven't indicated their support for that kind of situation. I'm sorry, I shouldn't have said "support" because they have, but they haven't shown the kind of leadership that's necessary to get the issue resolved. Five or six years, Mr. Chairman, things have been hanging over the heads of the City of Winnipeg. No action has resulted.

We've had, as I indicated yesterday, blackmail threats or blackmail-type threats by the solicitor for the band; we've had gold mines proposed for the area of Shoal Lake; we've had other resource extraction operations planned and/or threatened and/or actually put into place. All of those things have a serious effect on the water supply of the City of Winnipeg, and yet there seems to be no action taking place.

Mr. Chairman, The Environment Act that was introduced the other day is proclaimed to be the be all and the end all of environment acts for Canada, since the flagship of environment acts for this country. Yet that act contained no reference to the water supply of the City of Winnipeg, no reference to the fact that it could be protected, forever and in perpetuity and at no cost to the citizens of Winnipeg or the citizens of Manitoba or indeed the citizens of the rest of this country.

Mr. Chairman, our leader has suggested that one option to deal with the socio-economic problems of the band, Band No. 40 at Shoal Lake, given that they've had their source of income cut back because of mercury poisoning in the lake, is to move the band. There are many, many lakes surrounding Manitoba. There are many, many opportunities in an environment almost identical to that existing presently at Shoal Lake. The opportunity is there for the Province of Manitoba to say, notwithstanding the fact that they are technically residents of the Province of Ontario, the proposal that they have for cottage lots is in the Province of Manitoba. I think the Minister could well have taken a leadership role and gone to the Federal Government, to the Ontario Government and to the city, for that matter, and said, look, we can get together. We can try and move the band to a more appropriate location that may be better served in terms of cottaging opportunities and certainly not as detrimental to the water supply of the City of Winnipeg. So, Mr. Chairman, I think that could well have happened.

Well, we've had the threat of other issues besides the cottage-lot development in Shoal Lake. We've had gold mines; we've had I believe a Tantalum mine over the past few years and, I think, Mr. Chairman, some leadership could well have been shown there again by

meeting with the Province of Ontario, to sit down with them and to say, look, we have a problem. We need to protect this most valuable resource.

People fight wars in other parts of the world, Mr. Chairman, over water supplies. Here we have the finest, cleanest, purest water supplies anywhere to be found in the world, piped directly to the City of Winnipeg and yet we don't seem to be able to come to any kind of a resolution to protect that water supply from its potential pollution.

Mr. Chairman, last year during Estimates, we had a very lengthy discussion about this particular issue. At that time, the Minister indicated the province had a number of positions they had proposed, they were going to advance. Well, we've heard nothing over that period of time, Mr. Chairman, in almost a year. We've had no indication publicly at least what those positions are; what the province has been able to do; what it proposes to do and it has shown no leadership in this respect.

Certainly, Mr. Chairman, we've got to do something and we've got to do it quickly. There needs to be a resolution to this matter. We cannot continue on. We cannot have the water supply of the City of Winnipeg continuously under threat, because one of these days it's just going to happen and then there will be, Mr. Chairman, all kinds of havoc wreaked upon the citizens of the city. We collectively, as legislators, whether it be municipal, provincial or federal, will have to shoulder the blame for inaction and lack of leadership that has been shown up to this point.

So I would hope that the Minister, by making this statement in his White Paper, is going to carry that through and that there will be indeed leadership in the management of environmental and resource-related issues, leadership that has not, certainly with respect to the City of Winnipeg, Mr. Chairman, been evident over the past few years.

MR. CHAIRMAN: The Honourable Minister.

HON. G. DOER: Mr. Chairman, I find the remarks of the honourable member quite surprising.

At the initiation of my comments and at the initiation of my comments last year, I said very clearly that the lead Minister on this issue is the Minister of Environment. This is not City Hall, Mr. Chairman, where everybody just goes off spouting their own opinion. We have a lead Minister assigned by the Premier, by the Cabinet, to take care of, to represent our responsibilities.

Mr. Chairman, if the member opposite would have done a little research, he would have found out it was the same Minister under the Lyon regime, the Minister of Environment, the now Leader of the Opposition, Mr. Filmon, who was also the lead Minister representing the Province of Manitoba on this issue. - (Interjection) - Unfortunately - well, there were lots of threats in those times, Mr. Chairman, and unfortunately it wasn't resolved pre-election, and it hasn't been resolved to this date. But it's not the former member responsible for Urban Affairs that was the lead Minister; Mr Lyon clearly assigned Mr. Filmon as the lead Minister. Mr. Filmon was the lead Minister under Environment in the whole area of Shoal Lake, and was the lead Minister responsible, just as the Minister of the Environment is

the lead Minister in this government, as I said so in my opening statements, as I said so in terms of the Estimates last year.

Mr. Chairman, if there is this feigned interest of Shoal Lake, one would have thought that the members opposite would have asked some questions in the Estimate process to the lead Minister, the Minister of the Environment. The Leader of the Opposition was . . .

MR. J. DOWNEY: On a point of order, Mr. Chairman.

MR. CHAIRMAN: The Member for Arthur rising on a point of order.

MR. J. DOWNEY: Mr. Chairman, I can assure the Minister that indeed my colleague, the member who is responsible for the criticism of the Environment Department, asked many pointed and hard questions dealing with the pure water supply that we stand for, for the people of the City of Winnipeg.

HON. G. DOER: There was only a few minutes, Mr. Chairman, on the issue of Shoal Lake during the Environment Estimates and there were no questions from the Leader of the Opposition, the former critic and lead Minister on the Shoal Lake, and very few questions being raised by the Member for Charleswood when he had the opportunity to do so with that lead Minister.

Mr. Chairman, politics sometimes mean that one level of government blames another level. Well, I sincerely believe, Mr. Chairman, that beyond partisan politics there will not be a resolution to this issue, unless the Federal Government gets back to the table to deal with all the components of Shoal Lake.

There's absolutely no sense, in my mind, Mr. Chairman, having a settlement with one band and not having a settlement with a second band, and not having a settlement with Ontario, in terms of the logging, and not having a settlement with the mining considerations in that lake. All four components, and we said so, three, four weeks ago, Mr. Chairman, must be components of a settlement. We have also said that with the City of Winnipeg, when we've been discussing this issue. We must have a settlement that considers all components of this issue.

And, Mr. Chairman, I have raised this with the Federal Minister, the senior Minister responsible for Manitoba, with the mayor at the last meeting we had on the Core Area Agreement, because I did feel it was not good enough for the Department of Indian Affairs to walk away from the table - who basically has the responsibility to protect the band by the way, Mr. Chairman - that the senior Minister in the Federal Government must take a direct interest in the water quality in the City of Winnipeg, and the federal responsibilities that are impinging upon the water quality in the City of Winnipeg.

And I strongly believe that, that it will not be resolved with the federal member giving us gratuitous advice for the Federal Member from St. Boniface saying, well, I think the settlement for the city and the province is somewhere in between \$9 million, which is being proposed by the city, and \$72 million which is being proposed by Mr. Chretien. What absolute garbage, Mr.

Chairman! They walk away from the table and they had the good sense to give us advice about how to settle this issue, when they just totally washed their hands of it. And that, to me, Mr. Chairman, is totally unacceptable and we will not have a settlement without the province being at the table, with creative solutions, with the city being at the table, and the Federal Government. And I accept that and we will not walk away from that table, Mr. Chairman, we will not walk away without trying to propose as many creative answers as we can, to get a solution to Shoal Lake. But it won't happen with two parties and not the third party; that is very clear.

If any members opposite, in a non-political way, in a non-partisan way, can do anything to get their colleagues on side, to get back to the table - and I don't mean Mr. McKnight's department because he has to represent the best interests of the bands by law. But the senior Minister for Manitoba, surely to God, Mr. Chairman, must be involved in this issue.

Furthermore, Mr. Chairman, the Minister of Environment did send a telegram, and followed it up with a letter, to the Federal Minister of the Environment, Mr. McMillan. We haven't yet received a response from Mr. McMillan, asking that there be no development at the Shoal Lake site without the environmental impact study that's required under federal legislation. We have very clearly put that on the record with Mr. McMillan, and have yet to receive a response from Mr. McMillan.

Mr. Chairman, it's not only the province that is asking the Federal Government to come back to the table. Mr. Diakiw and Mr. Owen, the two negotiators for both the city and the province, have written a letter asking that the Federal Government come back to the table so we can get this issue resolved. We have jointly signed that letter, Mr. Chairman, and we feel that they must be at that table to get this issue resolved, not just the one band but the two bands and the potential developments in the Province of Ontario.

We believe strongly that Shoal Lake is a priority for this government. We will not proceed with any of our development to encourage pollution of that water body in the Shoal Lake-Indian Bay area. We think a federal environmental study will help our position if there is any planned development to go forward but, at the same time, we would like some creative solution to it.

Mr. Chairman, I think it's irresponsible - I personally believe this - for any one of the three negotiating parties or the four negotiating parties, counting some of the Indian bands, to go out publicly and make postures and propose positions publicly in such a way to inflame the negotiations and have the negotiations break down.

So, Mr. Chairman, we have been proposing a number of solutions. We've got a copy from the City of Winnipeg, a document from the City of Winnipeg that we felt needed improvement in a number of areas. We have passed that on. They've got our concerns in terms of the document that they prepared, but it still requires another signature, and it still requires another body. It still requires approval from the Indian band. It still requires approval from Band No. 39. We still have to get agreements in place in terms of the logging operation and the mining operation in Ontario.

So we've been at the table; we have a lead department at the table. We have discussed it. The last time we had a meeting on the Core Area, I raised it

with the senior politicians and said, for God's sakes, get your people back to the table. This is too important for this province to walk away from it.

We will not walk away from that table, Mr. Chairman, I can guarantee that, and we need a solution to this problem. Posturing is not going to help anyone. It's a very, very important issue. Water quality is a key criteria or a key value of the quality of life in Winnipeg. I think all of us, nobody's got a lockup on commitment on the water quality. The issue is: How do we solve it?

MR. J. ERNST: Mr. Chairman, if we look at the creating of the original problem, it came as a result of when Mr. John Munro, then the Minister of Indian Affairs under the Trudeau government, Mr. Munro, without consultation with anyone, simply and clearly passed the land on the Indian reserve into a development corporation without telling a soul. He simply did it, gave it to the band and said, go ahead and do it subject to the environmental conditions contained in the act, which required the band to submit their application for development to a federal Environmental Assessment Review Panel.

Mr. Chairman, so let's get it on the record who started this whole boondoggle of a situation. That was in fact at that time the Honourable John Munro, Minister of Indian Affairs.

At that time, my leader was the Minister of Environment in this province. At that particular time, the question of the federal environmental assessment review operation was ongoing. The studies were to be undertaken and, until that occurred, no action was necessary on the part of either the city and/or the province.

So then, let's make sure that on the record now we have a situation where my leader then, the Minister of Environment, also met with his colleagues in Ontario to discuss the other problems associated with pollution of Shoal Lake. We're talking then about gold mines, about a tantalum mine and about a number of other resource-extraction activities that were going on in that area. We had an undertaking from the Minister at that time in Ontario that, in fact, they would very closely monitor the situation and were very cognizant of the fact that the City of Winnipeg water supply was coming from Shoal Lake. So we had cooperation, we had understanding, and we had the support at that time of the Government of Ontario with respect to our particular problem here.

But, Mr. Chairman, the government opposite has been in government for six years since that time. We still have the problem, and it's no closer to resolution, Mr. Chairman. We have cries to have one level of government or another get back to the table or go away from the table or whatever to get into the situation.

It's very clear what needs to happen, Mr. Chairman, in my view. The federal Environmental Assessment Review Panel must sit, must hear the applications and adjudicate whether in fact there is any kind of development permitted on the shores of Indian Bay. Mr. Chairman, if they don't do that, we'll never know, and the question of how do you negotiate the price of something if you don't know what it's worth. We have all kinds of statements being made by Mr. Chretien, mentioning horrendous sums of money, other people

making other comments, Mr. Duguay for one, when no one really has a handle on what the cost should be, what is a reasonable and fair settlement for such a thing, if anything.

Because quite frankly, if the federal Environmental Assessment Review Panel comes forward and says, no development is permitted on the shores of that development, then the Indians . . .

A MEMBER: No development takes place.

MR. J. ERNST: No development takes place. The Indian band gets nothing, because they're not entitled to anything. Just because they happen to own a piece of land - I shouldn't even say own, because it's owned by the Crown - but they control a piece of land under lease through the development corporation that has been formed, just because they have that land under separate title doesn't mean they can develop. You can own a piece of land in the City of Winnipeg you can't develop. You can have a piece of land anywhere in the province, and you can't develop without meeting the guidelines and the regulations that are provided by government.

So, Mr. Chairman, I think that, notwithstanding the fact that the Minister is not the lead Minister, certainly the City of Winnipeg is his sole responsibility under Urban Affairs, his sole responsibility. Surely I would think that, notwithstanding that the Minister of Environment perhaps may technically be the lead Minister, this Minister ought to be providing that kind of leadership for the citizens of the city that he has under his wing.

Surely, Mr. Chairman, Ministers of Urban Affairs in the past have managed to shepherd and herd and do all kinds of other things with respect to conditions that exist in the City of Winnipeg and want to take a very active role, as a matter of fact, in what happens within the boundaries of the City of Winnipeg. This sole issue is the biggest single issue that has ever faced the citizens of the City of Winnipeg, and it's time we had some leadership, some very strong leadership to take those positions and not say, a settlement is impossible unless the feds come back to the table.

Mr. Chairman, that may be the ultimate result but, hopefully, we will have some expectation of finding another resolution if that one isn't available. But we can't give up and just say, if the feds don't come back, we'll never have a position, we'll never get a settlement with respect to the Shoal Lake problem.

Mr. Chairman, I don't think that's the case, and I think certainly that we need to have everyone working their darnedest on this particular problem in order to accomplish a resolution, whether everybody's involved or whether they aren't.

HON. G. DOER: Well, Mr. Chairman, a couple of points, one is the province has sent a letter immediately after Mr. Chretien's speech in Winnipeg to ask that there be no proceeding with any development on the Shoal Lake area affecting the City of Winnipeg water without a FEARO Panel, and we haven't got a response yet so we will keep pushing Mr. MacMillan. So that side of the issue, the environmental impact study that the member opposite has suggested, we have taken care of.

The second issue about the feds at the table, I'd like to know whether you think it's proper or not, as a City of Winnipeg MLA, do you think it's proper for the Federal Government just to walk away from the table? Because we may want to blame Mr. Munro but, Mr. Chairman, Mr. Axworthy did appoint a separate negotiator outside of the Indian Affairs Department as the senior lead Minister of Manitoba to make sure that, as the federal Minister responsible for this province, there was a concern beyond Indian Affairs. That has not happened now with the present Federal Government, Mr. Chairman.

I'd like to know your opinion, whether you condone the action of the Federal Government walking away from the table.

MR. J. ERNST: Mr. Chairman, firstly I want to say that, whether I condone or I don't condone any actions of anybody is not terribly relevant to the whole situation. - (Interjection) - It's relevant, Mr. Chairman, because we're not members of the government, you're the government.

You keep telling us you're the government, so do something as a government and, if you can't do something, resign and let somebody else have a try at it. That's No. 1, Mr. Chairman.

With respect to the question, I don't know what the rationale, Mr. Chairman, was for the Federal Government to decide to back away from what had been in negotiations. Again, under Mr. Axworthy and his negotiator, negotiations were taking place on the basis that nobody knew what they were negotiating about. They didn't know what they were negotiating. They didn't know how much it was worth. They had no idea. They were fumbling around in the dark, trying to find a number that would please the Indian band, and hopefully the whole problem would go away by throwing a whole bunch of money at them.

Well, Mr. Chairman, that's not the kind of leadership and the kind of attitude that ought to take place with respect to the City of Winnipeg's water supply either. It ought to be dealt with reasonably, Mr. Chairman, and analyze what the problem is, determine what its value is, and then you can deal with the situation on a reasonable and knowledgeable basis.

The question of how or why the Federal Government walked away from the matter, I really don't know. They have responsibilities in the area of Indian Affairs, and I understand the Department of Indian Affairs deals with that particular situation. Whether their responsibilities, Mr. Chairman, precluded them in their view from dealing with the matter, I don't know. It will remain to be seen whether they will either reinvolve themselves or deal with it from another perspective, rather than directly from the point of view of a negotiation. They may come at it from a different angle. They may be able to deal with it in a different way, still participating and still involved from the federal point of view. But, Mr. Chairman, I can't see the Minister, quite frankly, throwing up his hands and saying it'll just never happen if we don't have the Federal Government back to the table as they were prior to their withdrawal, because I don't think what they were doing prior to their withdrawal was, quite frankly, very productive in the long term at all.

HON. G. DOER: Well, the Federal Government doesn't just have the responsibility for the one band; it has the responsibility for two bands. We're only negotiating with one band. It has the responsibility for waterways across provincial boundaries, in fact, international boundaries and it has the responsibility for interprovincial disputes in terms of the environment. Its environmental impact, the potential environment act, also impacts upon the two provinces and therefore impacts on the Federal Government.

It has about three or four key strategic areas for Shoal Lake. In fact, they have more jurisdiction in the issue of Shoal Lake than any other government times ten. Now it's important to us, there's no question about it in terms of the water quality of Shoal Lake, and that's why we tried to deal with the Environmental Impact Study on the one hand; and we tried to deal with a negotiated settlement on the other hand. We've tried to make sure that a negotiated settlement is not a singular settlement with the one band, that it includes the other bands and the other potential places in terms of environment.

I'm actually shocked that the Member for Charleswood, who's providing all kinds of advice to the Provincial Government - and I welcome that because any advice we can get would be helpful in solving that; I think is appreciated - but can't provide our collective Federal Government, as an urban MLA, advice because I think it's irresponsible they walked away from the table.

MR. J. ERNST: If we can press on then to another issue, Mr. Chairman, we press on to some additional issues. We have limited time available and a great deal of material to cover.

MR. CHAIRMAN: Agreed to pass this item.

MR. J. ERNST: No, not yet, Mr. Chairman.

The next issue within the White Paper indicated the province proposes the establishment of a Winnipeg Rivers Authority. We have under the Core Area Initiative a riverbank program; we have outside of the Core Area Initiative another riverbank program. We see in the department that, under this area, they have hired a riverbank coordinator, whatever that means. Can the Minister indicate perhaps what the River Authority is supposed to do, what the riverbank coordinator is going to do, and how these other programs will interrelate with that Winnipeg Rivers Authority?

HON. G. DOER: Mr. Chairman, I've discussed this again at our last Core meeting with Mr. Epp, Mr. Norrie and ourselves - I guess were the other people at the table - and I believe that a tri-level River Authority for the City of Winnipeg similar in format to North Portage, to what the CN East Yards is now, to what the Core was originally and its second Core, a tri-level, three-level government proposal with not only government representatives but potentially representatives from the community. Both environment representatives and naturalists and other groups could be a good place to start in terms of a coordinated approach to our rivers.

Mr. Chairman, we know there are 100 overlapping jurisdictions technically in the whole area of authority

of rivers. I think having three levels of government sitting down and trying to deal with these issues together will be a better way of having a long-term plan for the physical features of the riverbanks, the quality of the water in Winnipeg and also the cultural potential and the recreational potential.

We have a model, Mr. Chairman, that's worked. It's worked in the Core; it's worked in North Portage; it's worked at CN. It hasn't been perfect, but it has worked to get three levels of government basically heading in the same direction and that's positive.

We have hired in the Department of Urban Affairs an individual who has had direct experience with the Meewasin project in Saskatoon and I hope you'll have a chance to meet her, a person named Heather Knight, who is now working with the Core and the city on some of the ideas that we can start putting in place both in the short term and the long term. That individual, although she works for the Department of Urban Affairs technically, I believe she's going to be working on a couple-of-days-a-week basis with the Core to try to get all of us heading in the same direction in terms of the Rivers Authority.

Mr. Chairman, I believe it's possible to do some very immediate things in terms of our rivers. I believe it's possible and we are discussing with the city much greater increased winter recreational opportunities on our rivers. That's an area - we have long winters and we have not many opportunities, very few have places to go to, I suppose, that are winterized in the winter outside of the city - we are trying to look at some winter recreational potential with the Core and also using that as basically the demonstration projects for the Winnipeg Rivers Authority.

We want a tri-level body and, if we can't have a tri-level body, we would go with the two-level body - the city and the province - both funding and both planning, educating and working together, rather than the province developing its program in Urban Affairs and Natural Resources and Environment. The city developing its program over here and all of us trying to take credit or dump on each other as we go along.

So we proposed a Winnipeg Rivers Authority in our White Paper - and talk is cheap in terms of the White Paper. We've also proposed specifically in the Core that we use this as the springboard for Rivers Authority, and the individual we've hired from Saskatoon, which I'd like you to meet at one point, has got hands-on experience making these projects work and has got hands-on experience hopefully working with the levels of government to provide some of the vision that has been used in other cities for our Rivers Authority.

So there are lots of loose ends, Mr. Chairman, because we haven't got agreement on a lot of issues. But there's a changing will and I believe, if there's a changing will, there's the way.

So that's basically the status. It's a little bit in the White Paper, a little bit in our Urban Estimates and a little bit more in Core. The bottom line is, I'd like to have a tri-level authority for our Winnipeg Rivers Authority for the City of Winnipeg with our two rivers and obviously we'd still have to do a lot of work on River Renewal Program province-wide.

But this authority could operate in Winnipeg for some of the priorities, cultural, historical, recreational and water quality issues and public access issues.

I believe it's possible, and I believe that there are sections in this city that we could skate on with appropriate safety monitoring and much greater areas that we could skate on. God knows we have a long enough winter and I'll have you a race down from the Leg. to the Tache Promenade if we get our rink going.

MR. J. ERNST: Unfortunately, Mr. Chairman, I have trouble walking let alone skating, still with my ankle problem.

I thank the Minister for that response, but can he indicate if the Rivers Authority would intend to take over development control areas which are presently under Winnipeg Rivers and Streams Authority or the City of Winnipeg directly, if the intent of the Winnipeg Rivers Authority is to go beyond just a capital part-building arrangement, as opposed to a full regulatory body dealing with all issues related to rivers, both development along and use of and use on the rivers that presently, in some areas at least, is kind of in limbo and nobody really knows who's in control? Things, if I might add, Mr. Chairman, like I understand the river boats pull just outside the city limits, the City of Winnipeg, and pull the lever, letting effluent from their holding tanks into the river; that's a problem. No one, at least not in recent time anyway, was able to determine who had jurisdiction over those particular river boats and whether they had control and whether they could regulate them or fine them or charge them, whatever, because of those kinds of activities. I'm wondering whether that is going to be contained in a Winnipeg Rivers Authority of the future as well.

HON. G. DOER: It would be our intent, first of all, I would say all rivers under the province under The Rivers and Streams Act, the provincial Rivers and Streams Act; secondly, the delegated authority under the provincial Rivers and Streams Act, I would see subject to discussions of what the Rivers Authority would want to pick up as their jurisdiction.

Mr. Chairman, it has been the advice of a number of people who have been successful in river developments to deal with the educational development and public access first and start dealing with the hundred jurisdictional problems as you go down the road, rather than getting tangled up in the jurisdiction issues and never ever moving on the development side of the river potential. That advice I think is in the Cherniack Report, I believe. I don't agree with everything in that report, but it was in the City of Winnipeg Review. It's the advice we've received from a number of other groups on river renewal and that's the way in which we would see proceeding.

There's a whole set of jurisdictional issues that we can't change immediately. We'd like to negotiate with the two levels. That's why it would be very important - there are three levels of government there, in terms of the jurisdiction. The majority of the navigational waters issues are under the Federal Government. The amount of authority that is delegated pursuant to The Rivers and Streams Act, I still believe is a matter that can be subject of what parameters the Rivers Authority would have. I wouldn't want to box ourselves in on a technical issue before we get the agreement in principle to the three levels of government participating on a joint authority.

We've been able to solve all kinds of jurisdictional issues when we've had three levels of government sitting down at the table, all with the same objectives. Where we haven't been able to solve jurisdictional issues is when we all come at it from our own directions and they're left unresolved on behalf of our collective citizens.

MR. J. ERNST: Mr. Chairman, would a proposed Rivers Authority contain jurisdiction outside the limits of the City of Winnipeg? I'm thinking predominately on the Red River, although I suppose to some extent on some of the other rivers as well it might prove beneficial, but be extended beyond the boundaries of the city much the same as, say, the additional zone is involved, or would that Rivers Authority perhaps involve bodies politic from outside of the City of Winnipeg, whether they're reeves of municipalities or whatever, to try and deal with a total package of riverbank protection, riverbank development, river usage, etc. Mr. Chairman, notwithstanding the fact there are artificial boundaries that occur at points on maps, use and development seem to ignore those geographic artificial boundaries. I would hope that there could be some expansion of that to deal with the whole of the river system, as opposed to - there has to be, I suppose, at some point a cutoff, but something beyond the limits, at least, of the City of Winnipeg.

HON. G. DOER: I mentioned yesterday that I'd like to see a renewal of ARC. ARC has been successful in dealing with specifically capital projects in and out of Winnipeg, on our Red River actually, not even the Assiniboine, I don't believe, and some of the creeks.

The whole issue of water quality outside of Winnipeg, the example you used - and I'd like to follow it up - is pursuant to The Rivers and Streams Act. There is authority there, I believe - and I should double-check that - either under The Environment Act or The Rivers and Streams Act, but I'll take that as notice. I would see the river authority for Winnipeg being a specific river authority with a specific geography, but what it's operations would be would be consistent with the provincial River Renewal Program, which even has to be consistent with international river renewal, because obviously the Red River has water flowing from the areas to the south of us as well.

So the Winnipeg River Authority would be site-specific, but it would work in conjunction on some of the broader water quality issues with: (a) the province; (b) the feds; and (c) potentially international.

MR. J. ERNST: The last of the major principles of the White Paper was that the province remains committed to consultation, coordination and cooperation between the city and the province. I want to ask the Minister how many meetings of the official delegation have taken place this year to date.

HON. G. DOER: Mr. Chairman, we've had five meetings since I've been in office. One is scheduled in two weeks from now. There were two meetings that were cancelled by the city, one in July last year that we scheduled. It was cancelled, and we weren't able to schedule the meeting in the middle of reassessment, although we

met at some points, Mr. Chairman, with a delegation of the City of Winnipeg, the Mayor, the Deputy Mayor and the Chairperson of the Finance Committee sometimes on almost a daily basis, through the reassessment issue.

So the official delegation meeting, we have had regular meetings. I guess we probably met more so with the cities on the assessment as we went through it than apparently, according to city officials and provincial officials, almost in an unprecedented kind of extent in terms of those kind of meetings.

So we have another meeting in a week. They were busy with the reassessment, I respected that. But we still continued to meet pursuant to some of the decisions we made in January.

MR. J. ERNST: Mr. Chairman, it's my understanding that the official delegation was to meet every two months, six times a year approximately, to deal with joint issues. I was pleased to see that, for the most part, that's being lived up to and that consultation process is going on.

I hope, Mr. Chairman, that the Minister means what it says in here in terms of that consultation and cooperation process. Too often, in my own experience, there's a meeting process but that meeting process really is not terribly meaningful. I attended maybe two or three dozen official delegation meetings. I don't think that there was one where there was major cooperation taking place. Very often, all too often, there was a confrontation process and/or a Big Brother attitude from the members of the official delegation, and that encompasses parties of all stripes.

It's unfortunate that somehow people tend to have changes in attitude when they change positions in government but, in any event, I hope that is a coordination, a consultation and a cooperative process so that, in the future, we'll see that kind of cooperation take place. I think, Mr. Chairman, it's most important to see resolution of the major problems that face the city and face the province jointly.

With that, Mr. Chairman, I'd like to move on, if we can, to the Core Area Initiative Report and perhaps review that briefly.

Mr. Chairman, Program 1 under the renewed Core Area Agreement deals with industrial and entrepreneurial support. They've had a very fine document produced indicating the programs that are taking place, indicate that there are certain areas targeted for revitalization and activities include industrial land assembly, site preparation and so on.

Mr. Chairman, given the very long and very arduous and certainly went over a very rocky road with respect to the industrial portion of the last Core Area Initiative, the fact that only at the very last minute virtually was a tenant found for that particular site, can the Minister advise what is intended or what is taking place actually under this section, how extensively it's anticipated to go, and if in fact they are going to assemble land for industrial development?

As well, the Minister might indicate who is the implementing authority under this program.

MR. CHAIRMAN: Before I recognize the Minister, I haven't called (d) yet. Have we passed (c) already? No. Okay - the Honourable Minister.

HON. G. DOER: The program is not yet approved by the Core Area body. We have a number of program authorizations that are approved. I should say from the outset that the whole process has been slower than the province would have preferred, and some proposals were just approved by City Council last week, Mr. Chairman.

Canada is the implementing jurisdiction. The goal obviously is to increase employment opportunities and support industrial enterprises. The authority is scheduled to be presented to the Core at our next meeting in terms of the various programs for it.

We would hope that the small business support would be the priority for the next five years, and that would be where we would see this proposal. It is somewhat reduced from last Core, Mr. Chairman, as you probably are aware. It's more of I think the industrial component has decreased and the entrepreneurial support, which wasn't mentioned in the first agreement, is in this agreement. So that would be the shift to more of a small business-entrepreneurial kind of emphasis, but the details haven't been developed yet.

MR. J. ERNST: Mr. Chairman, in the discussions that the Ministers and the mayor have had over the context of this agreement and perhaps even with some staff involvement in that, can he indicate whether they are prepared to increase the maximum amount of grant available - I believe it was \$25,000 was the maximum limit under small business in the last Core agreement, and I was wondering whether that maximum was going to be increased - and, secondly, if they were going to perhaps control the kinds of businesses that would be eligible under here?

I am not suggesting for a minute that people shouldn't be given an opportunity to create a small business and create employment and so on, but what happened in the last Core is we saw a proliferation of restaurants, particularly, who were going in and out of business on a fairly regular basis. Of course, core area funding was being attached to certainly one, if not many, new entrepreneurs in virtually the same building, the same premises, with the same equipment. Change the name and get a new grant or whatever.

So I think maybe that, notwithstanding the fact that we want to see as much business as possible take place, we want to ensure that Core funds are being spent in the most advantageous way. If we see a proliferation of those kinds of things take place, then sometimes I think maybe our funding isn't being spent in the most appropriate way.

HON. G. DOER: The level of grants is still at the officials level and hasn't been resolved at this point. It still hasn't been brought to the Core Area policy body, Mr. Chairman, so I'm not able to comment on the specifics of that. Certainly, I believe Core II should build on the successes of Core I, but should not necessarily duplicate every aspect of it. One would hope, and I am sure that the direction in this category would be more of the other types of entrepreneurial business than what happened in the previous agreement, which was one big grant to basically one big project. We want a lot of little ones in this agreement.

I should point out too, I think it's Program 10 is the street program in terms of small businesses: the Ellice,

the Sargent, the West Broadway, the Selkirk Avenue. That is under a different program authorization that has been approved. I think there is a limit for those businesses, but it's the intent to lever existing businesses. This one is hoped to start businesses in the Core.

MR. J. ERNST: I understand that this is the new business one, as opposed to the Neighbourhood Street Revitalization Program, which is later in the report.

Could the Minister advise why Canada was chosen as the implementing authority in this? I understand that the Federal Government has dry offices and so on here, but most of the dry money doesn't apply to Winnipeg in any event. Particularly in the manufacturing area, we have the Winnipeg Business Development Corporation, who's out beating the bushes, trying to locate people to build and locate in Winnipeg. We have the Department of Industry, Trade and Technology with another whole group of people out beating the bushes, trying to find the same things and have them either locate anywhere in Manitoba, and not specifically in Winnipeg, but why one of those two implementing jurisdictions might not have been a better vehicle perhaps than Canada.

HON. G. DOER: Canada insisted on having it, which was rather ironic because - and I wasn't part - I came into it at some of the end stages of those negotiations. This one was generally resolved, but I can recall that there was a disagreement about even having money in this category. The feds felt there would be money under ERDA already. It was resolved to put \$4 million in this, but the Federal Government to be the implementing jurisdiction.

The implementing jurisdiction, Mr. Chairman, is not always an exercise in logic, as the Member for Charleswood probably knows. It's sometimes an exercise in who's going to do what. That's been my experience with it at least. There is some logic to it and there is something that's a little more remote from logic. But the other reason too, Mr. Chairman, is just who has the ability to flow the money easier from departments of government. Who has the money?

I think the Federal Minister made it very clear in the last set of negotiations with the Core Area that he did not have a "slush fund," not that anybody else did, and that he had to go back and go through government departments to obtain the various appropriations of money. That very much dictated, to some degree there, which bodies would be the "implementing jurisdiction," which really is a titular head of the program operation and flows money, but doesn't necessarily mean that not all parties are initiating in the same degree.

MR. J. ERNST: Mr. Chairman, I thank the Minister for his responses.

Program 2, the Exchange District Redevelopment, Mr. Chairman, there's \$9 million available under this program, assuming the numbers are still the same as they were in the original report. Can the Minister indicate, first of all, how many buildings or how many applications would be around? How much of that money is anticipated to be put into renovation of existing buildings?

HON. G. DOER: I'll have to take the specific question as notice. There have only been a few. It was just recently approved, the \$9 million for the renewed agreement. There have been a few renovation programs approved to date. I can get that exact number from - the designation of the money is as follows: (1) private sector incentives, \$2.9 million; building rehabilitation, \$1.6 million; residential conversion, \$900,000; the business creation and expansion, \$375,000; signage and building murals, \$25,000; major capital program allocation, \$3.5 million; area enhancement allocation, \$1.5 million, which include three elements of the program - street scaping, programming and promotion, and planning and development. There's a reserve at this point of \$350,000.00.

There are not a lot of specific programs, as I mentioned before, that have been approved pursuant to those designations, but that's the general budget breakdown of the \$9 million in the renewed Core Agreement.

MR. J. ERNST: Mr. Chairman, that same program, while not specifically mentioned in the Minister's reply, indicates also that there would be assistance for performing and cultural facilities. Is it intended to fund renovations, for instance, to the Playhouse Theatre under this program at all or in part?

HON. G. DOER: Mr. Chairman, at this point the whole consideration of the Playhouse or Pantages Theatres is under the Strategic Capital Program. I should be fairly frank in this committee room. We had a tentative meeting scheduled for Monday on Strategic Capital that may have to be delayed.

The Strategic Capital, there are about \$100 million worth of proposals and \$13 million worth of allocation. Pantages is one of the items on that list.

We have asked for a needs assessment for the area so that we are not just shooting for the dark, or shooting with groups that are the best lobbying groups in the particular area, so that the Strategic Capital Program for Pantages or Playhouse was out of the strategic capital, which I should say, Mr. Chairman, has the most contention between the three levels of government. I think you probably know the players and the priorities based on those individuals, and that's why we think the Core Office should play a key role of doing a needs assessment and not just having three politicians in the backroom dividing up, splitting a cake in a way that may be politically expedient but inconsistent with the priorities of the program.

I am sure there will be a little bit of that, let's be honest; but we want to make sure they are consistent with the strategic needs of the core. Right now all of us have numbers of groups lobbying in a very strenuous way, but the Pantages proposal is on the Strategic Capital.

I should also say that it was the intent of the City of Winnipeg to have Pantages and PTE together in one proposal and they threatened to kick PTE out of the Princess Avenue Building. That issue is still not resolved either, in terms of the performing arts section. And further, on the Playhouse Theatre, I also think the city's proposal includes getting rid of the pawnshop and the liquor store. Our revenues would decrease dramatically,

I don't know. We'll have to deal with the logistics of those two proposals as well.

MR. J. ERNST: Just on that question of that liquor store, I remember sitting in a committee on environment back about 1976 when one of the members of council rushed in and indicated that for Heaven's sakes the government was going to take over the pawnshop across the street and build a liquor store. There was a great flurry of activity trying to get hold of who the Minister was at that time to try and have the matter stopped, but unfortunately to no avail and now we're looking at using public money to buy it out.-(Interjection)- Yes, it could well have been.

There was also contained in that same section of the Exchange District Redevelopment, assistance for parking facilities as a potential use of funding. We had Mr. Finnigan of the North Portage Development Corporation publicly state not long ago that there was going to be a need for additional parking in the downtown. Certainly in the Exchange District, there is a crying need for parking virtually at all times of the day and night. I was wondering whether any of the money was intended to be used for parking facilities in that area. It is certainly needed badly.

HON. G. DOER: Mr. Chairman, it's certainly eligible for funding and that hasn't been determined yet. The City of Winnipeg itself is doing a separate study of the parking needs of: (a) the Downtown; and (b) of the Exchange District. That could be used as a useful document for purposes of the parking allocation. It's not precluded at all in terms of future designations.

We would want to see the rationale. I from time to time go down - well, I've been down to the Exchange District to have a beer now and then, Mr. Chairman, not very often mind you, but I can recall there is a parking lot in the evening there. I don't know how the problem is in the day, that one that is right across from, I forget the name of the place, but there is one in that area. There is some concern about whether we need more parking or not.

So I'd like to see the study from the City of Winnipeg. I don't know whether that's completed or not, but I think that will be useful rather than just dealing with parking on an episodic basis - I can't get a spot, I can get a spot. I'd like to see the study.

MR. J. ERNST: Mr. Chairman, the East Yards Redevelopment is probably the most significant development that will take place in Winnipeg. I think it will probably far outstrip even North Portage in terms of its magnitude and impact on the city.

The original announcement by Mr. Epp was kind of a festival arrangement atmosphere with some housing attached, a marina and a major park site. Subsequent to that, I understand that the CNR has signed an agreement to transfer lands and to occupy a relatively small portion of the lands contained within the CN East Yards Core, whoever else owned a piece of land in that area that's kind of all been thrown in the same pot.

Can the Minister indicate how things are progressing with respect to proposals for that site and perhaps what the province's main focus is with respect to the CN East Yards Redevelopment?

HON. G. DOER: Mr. Chairman, there has been a board established for the East Yards Redevelopment that three levels of government have appointed one official and two other representatives. We have appointed Dr. Artibise and also Dr. Jean Friesen. Dr. Artibise, of course, has a background in urban planning issues and has an extensive experience on the success and failures of urban redevelopment on a site similar but not the same, of course, as the East Yards. Dr. Friesen has a history-cultural background and we think that background is useful for the historical-cultural aspects of the - it's a historic location in Winnipeg, and of course, our Deputy Minister, Peter Diamond, is also our representative at the officials' level along with Mr. Diakiw from the City and Mr. Reynolds from the Federal Government.

We have just now agreed on a person to chair the East Yards task force - no mean feat, Mr. Chairman, in terms of getting three levels of government to agree - Cam MacLean. He's had a number of meetings with the new board of directors. I think they've had about four meetings in literally four weeks and they're working very extensively. In fact, they have a public meeting scheduled for this Saturday where, I believe, they're going to even have people on the site and use a helicopter to take the press around the site to be the starting point for what we believe to be a key element of the East Yards, and that's public consultation and public vision of what that East Yards should be.

We've had politicians' vision, we've had officials develop an interim report with consultants, but the public really hasn't had an opportunity to present their views of what they would see their forks development be. I think that's very critical. Manitoba believes it's very important that this window of opportunity to develop a very - and you're right, I think it will be more significant in the long run than a lot of other projects in the city, that the public have an opportunity to express their vision on the East Yards and that the plan, that is ultimately approved by the elected representatives and our Cabinets and City Council, be one that is a vision that's consistent with the public interests and not just a kind of a closed-door approach.

So we very much consider the next stage to be critical. My own bias, Mr. Chairman, and I say it's a bias because if the public say something differently then I think it's important to listen to that, but I would see it as much more of a passive development, obviously, in the North Portage, with the multi-dimensional component using the Forks Park, which should be open in July of '88, as the starting point and moving back from Forks Park to have cultural, historical, recreational opportunities and then look at the issue of what type of commercial enterprises.

I think that commercial enterprises should blend in with a passive environment in terms of - not passive in the sense of recreational, entertainment, those kind of things, rather than high-density office towers.

The other 18 acres of land, Mr. Chairman, will be available for the CN to develop probably much more commercial type buildings. I know the CN now has staff working for it and consultants working for it, looking for potential occupants and developers of major projects on that 18 acres. I think the next move is Winnipeggers'.

Actually, I'm a little disappointed. We announced our interim task force report in December. I think you were

at the press conference at the top of the inn. The province had their representatives named fairly quickly in terms of that East Yards board and I would have liked to have seen the public process get going a little bit earlier, about a month ago, rather than the latter part of June, which will potentially hold us up to the beginning of September.

I think you're right. It's a very, very significant development in our city. The project authorization for \$20 million has not been approved yet, but there's lots of activity on the East Yards. In fact, at some points there, we're doing more on the East Yards between the three levels of government than any other aspect of the whole Core, which unfortunately held back some of the other projects as well.

MR. J. ERNST: Mr. Chairman, the Minister has referred to a task force, a committee. It's my understanding that it's a development corporation. Is that what's taking place on the East Yards?

HON. G. DOER: Mr. Chairman, those are some of the plans or potential proposals - one of the plans for the corporation. That is still subject to the public hearings and then the approval of all the levels of government, the type of format. Right now it's a scheduled, appended agreement to the Core Area Agreement. There's been nothing further signed, but it's obviously the plan to move it subject to public hearings into that type of vehicle.

MR. J. ERNST: Mr. Chairman, under what authority then is this committee or whatever it is that Mr. MacLean - did you say was the chairman of, what mandate do they have? What jurisdiction? What role are they playing in this whole process then, if not as a development corporation?

HON. G. DOER: It's mandated totally under the Core Area Agreement at this stage. Obviously, the way in which North Portage developed was out of the first Core; this one is still under this Core, but has the potential to move out as a separate entity under the Core.

MR. J. ERNST: Can the Minister indicate when he would anticipate that occurring? He indicated there is a potential for that to occur. Would it occur under similar circumstances to the North Portage Development Corporation where land is transferred into the corporation's name? They assume complete jurisdiction over the land, money and everything else via the board of directors, and the politicians basically have a hands-off arrangement with respect to that corporation. Is that anticipated again under East Yards at some point once plans are finalized?

HON. G. DOER: The manner still hasn't yet been totally resolved. It is the strong proposal - that's eventually what will happen. If it becomes that type of entity, and that's certainly where it's heading, Mr. Chairman, it would be my intent to stress that we should not have a totally hands-off approach similar to the North Portage. We should not have the same type of hands-on approach that we had with the Core, but somewhere

inbetween that in terms of the uniqueness of that development proposal.

I've had some informal discussions with the other shareholders on the Core Area Agreement, the other policy committee members, the other politicians. I think that North Portage is different than the East Yards development. I think it should have a different type of board; it has. It should have a different type of pace; and it does. It should have a different type of public consultation; and it will. I believe it should have a different type of relationship between the elected representatives and the appointed officials.

MR. J. ERNST: Mr. Chairman, the public hearing process that's going to take place, the public input that's going to take place, will that be in the form of a reactive model situation where you would have half-a-dozen plans and say to the people, what do you think? Do you like this or do you want something totally different as opposed to going out and saying here's a blank piece of paper, what do you think we should have?

Which way will it be handled?

HON. G. DOER: I discussed this with Mr. MacLean on a one-to-one basis last week. He's still working with the board to potentially have a two-stage development with one being more of a free flowing proposal in terms of: No. 1, what are your ideas; and, No. 2, coming back to the public with proposals. This is how we see it happening. Do you agree or not? So there would be both more of a free, not reactive - I wouldn't say proactive either - but a more open approach at the beginning and then a more responsive approach in the second stage.

I'm just looking to see whether my latest information - I haven't got briefed in the last two days on this - but I did talk to Mr. MacLean last Thursday, I believe, and those are some of the ideas he had.

MR. J. ERNST: Mr. Chairman, I think it's important that we, rather than go in with a blank-page approach, I've been to too many meetings where that kind of approach really hasn't generated much interest at all. I think if there were several preliminary sketches or preliminary plans for the site, that people tend to be more motivated by that than they are by - you know there are a few people, I would think, in the City of Winnipeg, sitting out there and dreaming the big dream about the East Yards and how they would like to see it developed. Whereas people tend to have their imagination somewhat sparked by potential development proposals, different ways of approaching it, and perhaps from that would come a final plan that would be most desirable for the greater number of people. So I would hope that that kind of proposal could occur before we get too far into the public consultation process, because otherwise I think it might just be a bit of a dud and that would be unfortunate.

I concur that this project, as I indicated at the start, will likely be the most major project to be seen in Winnipeg in a very long time. Certainly, it has enormous historic application. If everything succeeds, it's going to be the centrepiece, hopefully, of tourist attractions to Winnipeg.

If we deal with it on the basis of a Granville Island-type situation, then I think we may hopefully attract more tourism and more opportunities and more business for downtown in general. If it's not handled properly, what will happen is, in fact, we'll see North Portage, perhaps, and/or Portage Avenue in general, as a commercial strip for Winnipeg, wither and die on the vine if there's too much of a concentration and too much of a pull from the East Yards, pulling away from that, pulling away from the Exchange District, pulling away from Broadway. The potential is there to create a lot of havoc. At the same time, the potential is there to create a very attractive masterpiece for downtown Winnipeg and for generations to come.

Mr. Chairman, can I ask the Minister - I guess the bottom line in all of this is the land. CNR had, I think at the press conference, indicated that they had reached an agreement to transfer certain lands, etc.

Can the Minister: (a) Review that for me as to what lands were available and how the interchange is going to take place; and (b) tell me if, in fact, it has taken place? Has the CN put land where their mouth is, so to speak?

HON. G. DOER: Well, I guess, Mr. Chairman, the Federal Minister is a little bit out on the proverbial limb, and all of us hope it's not sawed off by the CN. The land hasn't been delivered yet. We have every reason to believe it still will, and they are still operating on the basis of CN transferring that land with the deal with the Federal Government, and the 18 acres in the other more strategically located commercial site. It's obviously one of the major considerations, besides public input, that Mr. MacLean has as the Chair, and the Board of Directors, the appointed board. The land has not yet been transferred to the East Yards Board, which would technically be through the Core Area Agreement.

There is, as I understand, a Memorandum of Agreement, which I haven't read, quite frankly. There are allegedly some commitments in there that I've said that we don't believe that CN should have a dictate of what development should go on in that area before the land is transferred. I want to put that on the record right now. If we're going to have equivalent - if the public is going to come up with a vision of the East Yards, and if all the elected representatives feel that's the most appropriate, and the deal makes sense for CN, because they make deals on the basis of business considerations, then we hope that the Federal Minister can deliver the land pursuant to his commitment.

We have other equivalent commitments in the agreement, as you've noted, in terms of the York-St. Mary issue, out of the \$90 million Capital Program.

We certainly will live up to our written part of the bargain, and I think Mr. Epp will be successful. He certainly has all the indications from the CN at that meeting that we both attended, but I hope there's no hitches in the last minute, because I think to get all the public involved in this and then not have it transferred, would be critical.

But that is a matter between the federal department, with DREE, I believe, and the CN Yards working through the Hon. Jake Epp.

MR. J. ERNST: So, as I understand it, there's no formal agreement. The transfer of the land has been signed and no transfer, indeed, obviously then has taken place?

HON. G. DOER: There's a Memorandum of Agreement, Mr. Chairman. Mr. Epp assures us there's no problem in terms of the land with his federal counterpart, the Minister of Transport, and other federal politicians that have more direct control of that Crown corporation, the CNR. The deal isn't signed yet. There's a Memorandum of Understanding. Mr. Epp has told us that there won't be any problems. We believe him; although I've told our committee members to be very careful of many expenditures in terms of this issue until it's in the public domain in terms of this land.

MR. J. ERNST: Mr. Chairman, we've discussed Program 4 to some extent under previous discussions with regard to riverbanks. I don't think we need to go much beyond that except to say that of the Riverbank Enhancement money, how much is anticipated to be spent in the East Yards as opposed to elsewhere, out of the Core Area funding?

HON. G. DOER: Mr. Chairman, I would hope that the ARC development and the other East Yards development would mean that that money would be used outside of the East Yards, quite frankly. I have discussed informally having maybe about three strategic locations to improve riverbank access in the core, one of them being certainly near the Juba Park, potentially, and then the potential for - we haven't worked this out, really, but it would be outside of the East Yards directly, because that allocation has already \$20 million to it, Mr. Chairman.

There are no final decisions being made. I find it very curious that Manitoba had to push like crazy to get the \$5 million in the final proposal, and I watched the other city officials take total credit for the program, but that's politics, Mr. Chairman.

They haven't been designated, but one of the areas we are talking about is for the Core, besides some facilities for the summers, particularly winter recreational opportunities in the Core area that would be available to all citizens because the Core, I think, has been helpful to all Winnipeggers because they live in the city. It's been helpful specifically to the Core area residents because of the monies targeted for that area, and I think, in terms of winter recreation, that's where we'd like to see the money go.

There is, I think, a more elaborate proposal for some of the commercial enterprises in St. Boniface on the table. I think there is a lot of money for very little benefit with a \$5 million budget.

MR. J. ERNST: Mr. Chairman, under the Strategic Capital Projects - touched on it earlier - \$100 million worth of projects for \$13 million of capital.

Can the Minister indicate some of the kinds of projects that have applied; what projects have been considered to date; what the province sees as the kind of focus this money should have; and, generally, what kind of cooperation has he received from the other two partners in this agreement on Strategic Projects?

HON. G. DOER: Mr. Chairman, there has been only one definite decision made under the new Core Agreement, and that is the agreement to fund to a significant amount the proposed redevelopment of the

YM-YWCA. In fact, the Core Area political body did come to an agreement of what the bottom line would be because we were all being negotiated at all different levels, including the Core Office.

We did meet with the YM-YWCA joint Board of Directors on terms of what that bottom line would be so that they would have predictable goal posts in terms of where their funding priorities should be. We are hoping with the asset of the old building, the asset of the sale of the old YW, with the amalgamation between the two Boards of Directors, and the amount of money from the new Core Area Agreement, that there could be a major redevelopment of the YW-YMCA in this city.

As I understand it, the Y wants to use that facility not only as a facility in the Core Area for recreation and other social activities that are consistent with the mission of the Y, but also, Mr. Chairman, wants to use it as sort of a flagship of the suburban Y's, which, quite frankly, some of them are subsidized from the central Y.

MR. J. ERNST: Well, Mr. Chairman, only one project is approved, and I appreciate and support the position of the YM-YWCA. Certainly, their work in Winnipeg is well-renowned and certainly well worth supporting. I'm not so sure that they ought to be renovating the building, mind you, but that's another argument, I guess, and one that's been ongoing and I think I'm not alone in that outlook.

Perhaps a reconstruction or a new building would be more advantageous. I took from the Minister's remarks that renovation of the old building was the route that they were proposing to go. I haven't seen all the numbers and everything else that goes along with making all those kinds of decisions, but it seems to me that very often the cost of renovating an old building approaches the cost of the new one and you still have an old building. I'm wondering whether that option has been pursued as well. That's question No. 1.

Question No. 2 is: Can you give me perhaps a bit of a spread in terms of what various other kinds of projects have been proposed under this strategic planning, Strategic Capital Projects, and also, perhaps, maybe the kind of focus that the province would like to see?

HON. G. DOER: Well, Mr. Chairman, the issue of the YM-YW was a proposal that was made by them. They felt they could renovate their building and provide a new building in the old building in the most economical and effective way possible. The proposal, as I say, was developed by their joint boards of directors; I respect their judgment on that issue. It has been analyzed independently by the Core Office. It's even been analyzed a couple of times in terms of some of the ambition displayed in the first proposal. I think it's been chopped down in terms of the amount of money that potentially would be necessary because we felt that they were asking for too much public money in terms of the renewed development and would, therefore, prejudice any approval of the sum, especially that they announced, and it would prejudice the redevelopment of the building.

The other projects - I could give you a list of some of the projects, and I haven't got it here - are massive

and it grows every day, Mr. Chairman, and that's why we've asked for a needs assessment. There's the Y; there's the PTE; there's Pantages; there are some cultural centres; there's the festival market place; there's Chinatown, parking, the Winnipeg Education Centre. There's just a two-page list. We have said - the three politicians at the last meeting - asked for a strategic needs assessment to be conducted by the Core so that we could assess where the real needs are. We've got an open mind in terms of some of those projects, Mr. Chairman. We're not going into the process in terms of the needs assessment with a wish list, we're going in with an open mind in terms of the needs and the mix so that we aren't caught. You know, we can be sensitive to what the Core Area Office develops and also sensitive as to how we see the strategic capital being spent.

I also don't see, Mr. Chairman, us blowing the whole \$13 million - and God, that's not a lot of money - in the first year of the project. There may be other projects that come along. I think we should have an idea of where we're going but I wouldn't want to see us spend all the money in the Core Area capital projects at this point, in terms of the spending.

MR. J. ERNST: Program 6, Mr. Chairman, deals with neighborhood and community development again, "to develop community resources, services, and facilities." Mr. Chairman, that created some difficulty in the last Core Agreement, not to say that there weren't very many good programs approved and put into operation. What it created was an enormous expectation that after the Core Area Initiative would expire that the funding ran out. Of course, that's not an unusual occurrence in any government program. Very often these agencies and resources and activities that take place, Mr. Chairman, with government funding, when some government introduces it, everybody's gung-ho. They get on the bandwagon. They get out there, they rent space, and they start performing their services and hire people and so on. Yet two and three and five years down the road, all of a sudden the funding runs out and then, of course, everybody's jumping up and down and screaming and looking for somebody to foot the bill because they're going to be out of a job.

As good as some of these services and resources and facilities are, Mr. Chairman, I don't think any government can continue to afford to fund these things in perpetuity. Unfortunately, no program was ever developed to wean these organizations off the public purse and onto funding from some other source, either from the beneficiaries or from under sponsorship of private corporations or whatever. But certainly, Mr. Chairman, governments I don't think should continue to create these kinds of expectations in the community, to create organizations that have an ongoing demand on the public purse.

Now, I see that the foundation set up in the Core Area Agreement, well, meets some of that demand, but very limited demand, Mr. Chairman, and only a million dollars of capital funding. To utilize the interest from that, I don't think is going to provide a great deal of support for the kind of organizations that can be created, and in fact were created, under the previous Core Agreement.

Did the Minister indicate how many of the ones to be funded under this are ongoing from the last Core Agreement and what's available for new resources, and thirdly, Mr. Chairman, what is anticipated after this Core Agreement expires and these people are left looking for funding from some other source?

HON. G. DOER: Mr. Chairman, this project in concept was just approved at City Hall last week, so we still have to go back at more of the specifics now that we have agreed to the broad issues in the project.

There is \$16 million in this project which is a little bit reduced from the combined budget of the last one of \$18 million. There are some that will continue under this project from the first Core. I can think of one, Mr. Chairman - Healthy Parents, Health Child - which was very successful. We do believe, as a government, that using this money to bridge legitimate social development activities is a positive thing and a positive development in a revitalization program.

Mr. Chairman, I think also that it's important that we don't create insatiable programs that have no longer-term link, if they're needed by the citizens, to funding. So in discussions with our staff in Urban Affairs and in discussions with other members of the Core Area group, we would like to see this as a bridging and we would like to see it as having, if it is going to be a program that develops, meets a legitimate need and is required to continue to meet a legitimate need, that it has some linkage with an ongoing ability to keep it afloat rather than just, as you say, dying a natural death at the end of the program and leaving a lot of people "high and dry" in terms of that need.

MR. J. ERNST: Mr. Chairman, next to the East Yards, this is the largest-funded sector of the Core Area Initiative. While I, you know, the outline is to some extent capital funding for community facilities: community services, programming resources and education support services are likely going to consume a great deal of the money, I would assume.

So I'm concerned that we don't get carried away, that we don't create those expectations that someone else is going to have to foot the bill for at some point down the road, at least not without looking either at short-term projects that are most definitely named short term at the start and everybody understands that. Even then, I'm not so sure that will work, but it's worth a try at least anyway.

Then the other way is to attempt to phase out their demands on that funding over a period of time so that, when the initiative expires, they will at least have somewhere else to go.

The Program 7, \$1 million for the Inner City Foundation, can the Minister indicate what they intend to fund out of the interest from the Foundation?

HON. G. DOER: The interest is to go back into the Foundation fund.

Secondly, we will be utilizing that fund in the precedent of getting that money in as a way of trying to solicit further donations to the Core Area Foundation. Hopefully, it can be used to continue some projects of a worthy nature with the caveat of not establishing any expectations that can't be met by the very small amount

of money, in relative terms, that fund has budgeted for in the renewed Core. The proof will be in the pudding.

I think this is a proposal that came forward from the Mayor and found support from the other members of the committee. I guess that's based on his experience with the Winnipeg Foundation. We don't plan on competing with that, but it has a more specific target with the Core Area Foundation, the Inner City Foundation.

So hopefully, I don't know what kind of support it will get in terms of donations, but it has the potential. If it can be built up to be a little bit of money over the next five years, it can hopefully be helpful continuing on with the objectives of the Core 2 beyond the date of expiration of the technical agreement.

MR. J. ERNST: Is the funding for Inner City Foundation to be granted immediately, that is now put into place and then invested for a five-year term to be drawn on once the agreement is expired? Is that how it's going to work?

HON. G. DOER: It could be. We wouldn't be opposed to that, putting it in not necessarily this week but at an earlier stage rather than a later stage so it can (a) start functioning to get other funds and (b) attract the potential interest. But I'd have to take the specifics as notice because I can't recall us discussing exactly the date. I would prefer to have it going earlier rather than later, basically for the reason, not just the interest, but the reason of attracting other donations at an earlier stage rather than at the ninth inning of this proposal.

MR. J. ERNST: I would think, Mr. Chairman, that the advantage of this kind of an arrangement, of having a foundation, would be after the Core program is completed. Those activities that could take place under the Core Area funding could well take place under the existing program with the funding available there, and this could be set aside and ought to be set aside, quite frankly, immediately, as quickly as possible. In fact, I'm somewhat surprised it hasn't been done already, to have that fund put in place. Let it earn interest, let it attract other capital, let it do the things that it's anticipated to do in order to generate a pool of earnings that will be available. Then once the Core Area agreement is terminated, those expectations that are out there in the community have some way of at least either being satisfied or having some hope of being satisfied.

I ask the question, Mr. Chairman: Who is going to manage the Inner City Foundation? Is it going to be a board of directors and a manager, or is it going to be turned over to the Winnipeg Foundation to manage? What's the anticipated operation there?

HON. G. DOER: Mr. Chairman, we still have not concluded the negotiations on the structure of that Foundation, but it is under active consideration. I should say, I think the biggest problem in terms of putting money up front may be Canada, not the other two levels of government. But we'll still push it. We must get a structure and then the - I would concur with your appraisal that the earlier the better for this Foundation. I have no problem with that priority.

MR. J. ERNST: Mr. Chairman, in terms of management, you might as well go to a successful manager and a fund, albeit a lot of money, this small in terms of its earning abilities would be substantially impaired by trying to run its own show and pay a large administrative component out of the earnings.

Mr. Chairman, if we could proceed to Program 8, Housing, under the previous Core Agreement, Housing was one of the most successful programs. You know, all kinds of in-fill repair and activity in that area was most successful as far as the inner city is concerned, and I think they benefited greatly from that.

Could the Minister perhaps give us an overview on what's intended under the Housing Program? Do they intend to get into any more major Core Area housing developments?

HON. G. DOER: The proposal has not been approved yet in terms of housing between the three levels of government. There have been some jurisdictional disputes in the negotiations between CMHC and the RAP-like activities potentially for the renewed Core. I think some of those jurisdictional problems have been resolved. We would like to see something very similar to the last agreement in terms of in-fill housing, upgrading rehabilitation program and infrastructure for the inner city housing be part of this program. The priority may be a little bit more north of the tracks, I believe, than south of the tracks on this next proposal and west of where the first Core was, rather than in the bulls-eye area.

So those are basically some of the priorities the province has. We get a lot of good advice from the Department of Housing, of course, and the department from Winnipeg. There's actually a little bit of a disagreement going on between Winnipeg and Manitoba - we actually agree on this one, Winnipeg and Manitoba, with the Federal Government, but we're trying to resolve that.

MR. J. ERNST: Mr. Chairman, as successful as the housing project was, the training and employment was not under the Core Area Initiative, unfortunately. I think it stemmed in part from the fact that Manitoba is the implementing authority under the training and employment sector.

I think it should have been, very likely, that the Federal Government had much more expertise, much more involvement, much more historical evidence and a whole mechanism, a whole infrastructure in place bureaucratically to deal with that. Canada Manpower obviously, Mr. Chairman, has responsibility, has jurisdiction, has staff training. They have all kinds of programs in place. It seemed to me, under the previous program, it was reinventing the wheel to create a whole new employment agency and to train new staff. You take the manager, who had relatively little or no experience in that area, and put him in a place in an agency that was trying to do something and duplicate actually what the Federal Government was already doing, had the mandate to do, and had been carrying out for the last any number of years.

So, Mr. Chairman, when I see that another \$12 million has been placed into this program, I'm quite concerned. I have been supportive of almost every project under

the Core Area Initiative, save this particular one. I think this one is the - you know, every program isn't perfect and, if there's a wart on the Core Area Initiative, this is it. This has not had the kind of success rate. Albeit however enthusiastic people are about this particular program and how great they think it is and everything else, the fact of the matter is it hasn't really worked. It has cost an inordinate amount of money for the benefits that were derived from it.

I would hope that the same mistakes are not going to be made again in this section of the Core Area Initiative that were made in the last. I would hope that the cost for job creation of \$20,000-30,000 a job, Mr. Chairman, would not take place, that we would not be faced with those kinds of things. I don't think that's a productive use of money, quite frankly. There are any number of better ways to create the same jobs, to create the same activity, and not have that enormous cost attached to it.

So perhaps the Minister can give me an overview of what their anticipation is under this sector of the program. Again, I caution him with those concerns that I have.

HON. G. DOER: Mr. Chairman, the Member for Charleswood and I disagree on this issue and we will probably continue to disagree on it. That does not mean to say that I don't believe that there can't be improvements from the first agreement in terms of the training program. There will be some improvements in the delivery of the training program, a much greater coordinative role for the Core Office in terms of support and using complementary funding for other programs of the agreement. A greater contract compliance will also be incorporated.

Mr. Chairman, the costs are high of training individuals, not only in terms of the specific skills that are necessary for getting people to a marketable state in our economy, but also taking people and giving them the life skills to be able to cope in terms of individuals who have not been brought up in an environment or necessarily had the opportunity to have a lifestyle consistent with employment. That is costly, Mr. Chairman, but I believe very strongly - and we will never have the success rate of the finest finishing school obviously in North America - but I believe that the cost of \$25,000 or \$28,000 - it varies between some of the private and public sector groups. Some of it's lower than that; some of it is a little higher, depending on the length of the course. Some of the courses are longer. It makes a lot more sense to have somebody trained, skilled and employed in the long run with a one-time-only investment than having them not employed and being on other support systems that taxpayers ultimately pay for or employees through UIC, or other safety-net provisions in our Canadian economy.

I personally believe that this is one of the finest goals of the program. I believe that there should be improvements. I had the pleasure of being at the graduation exercise recently; in fact, if I recall correctly, it was the day the Bombers got beaten by B.C. in Vancouver Place in the finals. I can remember the date vividly because I remember going back to watch the game. But I remember the graduation ceremony and the excellent record of how many of those graduates

last spring were, in terms of how many had jobs, in very many programs.

The one embarrassing area was the gerontology program, Mr. Chairman, and it was embarrassing not because of a failure of the Core, but because of the miscoordination in government. Since that time, we handed out the statistics and I mentioned them in the House, where a great deal of them have been employed out of the gerontology program versus the situation we had at graduation where just a few were employed.

I recall, Mr. Chairman, there were a great number of people employed. I know now that the bank training program is even better equipped, and many of the other training programs are even better focused in terms of getting the employers on board at the time the people are selected for the training, having the employers, the banks involved in the training program, and hopefully they will be successful in the job placement. I haven't seen the final numbers on that one. I think there have been improvements made.

I personally believe this money, this \$12 million, is well spent. I believe that the investment in people is just as important as the investment on the more physical aspects of a revitalization. It's not been perfect, but a program like this never will be.

MR. J. ERNST: Mr. Chairman, the objectives are laudable; the initiative is laudable. I think everybody is in favour of saying, let's get people off public assistance of whatever form and into a job so they can earn their own living and carry on. That's certainly most laudable in everybody's mind.

Here, in this situation during the last Core Agreement, you had a training cost of somewhere in the area of \$28,000 for jobs; 50 percent, I think, or more, if my memory serves me correctly, 50 percent or more of which were in the public sector already.

So if you had those jobs and you were going to hire those people in the public sector already, why have to expend \$28,000 to train them when they could have had other on-job training or some other intake program from the Provincial Government, or the city, or the Federal Government, whoever had hired them in the public sector?

I can see that private business people, perhaps, don't want to take the risk in training those people, but certainly if you're going to take those people into the public sector in any event, then I have to question that we need to spend \$28,000 on those training programs for that kind of job creation. However, that will remain to be seen and I would hope that the Training and Employment section of this Core Area Initiative Agreement will supersede the last by some distance.

Mr. Chairman, the Neighbourhood Main Streets and Small Business Support Services program indicated that there were a number of other key sites outside of the direct core area.

Can the Minister advise if some of the suburban core area business areas, such as downtown Transcona, if you will, or downtown Elmwood, downtown West Kildonan, some of those areas that are in fact getting older and could use a little shot in the arm to spark their business community, would be eligible under this program albeit they are not directly within the confines of the Core Area Initiative Agreement.

HON. G. DOER: Mr. Chairman, I'd love to support downtown Transcona but I think they have an ambience all of their own in terms of the renewed core.

The projects that will be receiving support for the Neighbourhood and the Main Street Projects will be some of the same from the past - Chinatown, Provencher, Osborne, Selkirk Avenue and Main Street. And there are some new targeted areas for revitalization which will probably get the majority of the money - Sargent from Balmoral to Arlington, Ellice Avenue from Spence to Arlington, West Broadway from Osborne to Maryland, and Selkirk Avenue - again, Selkirk, two, from Salter to Main Street and McKenzie to Andrews.

We're still looking at a couple of others, Mr. Chairman, in terms of potential. There may be some in the other areas designated as target areas. I would see in Core 3, one of the problems with Core 1 and 2, but if there was a Core 3 that the areas outside of the Core that hadn't been getting much money, that also need revitalization would potentially be those areas and I wouldn't necessarily have them with a compass from the centre of the city because areas as you say, like Transcona that were distinct, and some places older and need revitalization, urban areas may be considered. But the fundamental areas are the ones I described, Mr. Chairman.

MR. J. ERNST: Mr. Chairman, under this program is there a maximum grant per applicant, and is there a minimum input required on behalf of the applicant in order to qualify for the grant?

HON. G. DOER: Mr. Chairman, we have wording in terms of the Core Area Agreement in terms of leveraging private sector money that probably, if it was under public scrutiny, would look like the Canadian Constitution. It does allow for a certain formula of money to be applied from the private sector if available, but not necessarily so. That was the wording the three governments wanted because they didn't want to preclude something that could go ahead with a strict formula. I believe the original formula was a one in three, or one in four dollar ratio between public money and private money. I would like to see that in terms of some of these developments. But I would say that the wording of this sub-agreement and the wording of the whole Core would not necessarily preclude something from going ahead with a less ratio of private to public money.

MR. J. ERNST: Mr. Chairman, under the Complementary Funding section, has any money been designated under any of the Complementary Funding areas that specifically would relate to the Core Area Initiative and could be identified as Complementary Funding?

HON. G. DOER: Mr. Chairman, we haven't begun to account for the complementary programs that are going on in the Core Area Agreement. At a time when the two levels of government provide those figures, I'd be willing to share them with the member opposite.

MR. J. ERNST: Mr. Chairman, that concludes the questions I have with respect to the Core Area Initiative Agreement. I did have a few other questions under this section and then perhaps we can move on.

There are two or three areas, as a matter of fact, where the Minister is not the lead Minister, but certainly there's a major impact with respect to those particular issues on the City of Winnipeg of which he is the key Minister. The first of which I want to discuss, and we did discuss it under Natural Resources at some point, was the question of Dutch elm disease, and the impact that Dutch elm is going to have on the City of Winnipeg and the aesthetics of our city.

As the Minister indicated earlier, we have a very long winter. We deal with ice and snow for six and seven months of the year. We have beautiful foliage on the stately trees that we have in Winnipeg, Mr. Chairman, for all too short a time - three or four months.

The whole question of Dutch elm disease, both in terms of the ongoing funding of prevention and sanitation, which has been limited since 1981, and which the government has not seen fit to increase despite the fact that the City of Winnipeg has enormously increased its expenditures in an effort to save as many of those trees and prolong their life as much as possible.

But we also know, Mr. Chairman, that ultimately those trees are going to die. It's an unfortunate situation but the cost of saving them by injection is far too enormous to give consideration to. As a result, on my initiative when I was at the city, we started in the Capital Program of the city a program to start new nursery stock, understanding that those trees are going to die and understanding that we can do what we can to prolong their life. At some point we needed to look at replacing those trees.

It did not seem realistic and, certainly, practice had indicated, Mr. Chairman, that you can't replace existing tree stock with saplings. They just can't stand up to the kind of abuse and the kind of traffic and the kind of problems that are presented by putting very young tree stock onto major public thoroughfares. They act as an invitation to children, to others, to bend them, to pull at them, to hit them with objects, to do many things that cause their early demise.

So, Mr. Chairman, it was on that basis that I and my colleagues at the city at that time had created this capital fund. I see now that the province has agreed to contribute to that capital fund for the creation of nursery stock so that in 10 years and 15 years time, when we are faced with major defoliation, that we'll have some sufficient stock on hand in order to replace those trees.

My concern, however, still is the maintenance of our existing trees. I mean, you can have new nursery stock and you can plant trees and everything else, but the fact is we've got beautiful, stately elm trees. With some preservation, with some sanitation work, we can preserve those trees for an awfully long time and have the benefit of their enjoyment for that period of time, Mr. Chairman, but the province has not seen fit to expand its spending in that area. Since 1981 it's remained at \$350,000 even though they've gone to rural Manitoba and said we'll give you \$1 per capita in rural Manitoba for Dutch elm disease control, but we'll limit it to \$350,000 or about 50 cents per capita in the City of Winnipeg.

It seems somewhat discriminatory. And again I appreciate that the Minister is not the lead Minister in this situation, but the fact of the matter is I would hope that this Minister would take the initiative with regard to the City of Winnipeg.

That's where the major problem is certainly, presently, and will continue to be. That's where the maximum impact is going to be when Dutch elm disease does get out of hand, if the city cannot, at least at this point with its expenditures, control it as well as it has up to now.

Perhaps the Minister could comment on that area.

HON. G. DOER: You're right; the funding for Dutch elm is in the Department of Natural Resources.

The Department of Natural Resources over the years has provided invaluable technical advice for citizens all across this province, to get many of the volunteer organizations and citizens involved in the whole area of Dutch elm. It's been complemented by the work of the city, with getting the public involved in terms of spotting trees and dealing with their neighbours in terms of Dutch elm disease and making it a community issue rather than just a government official issue.

I think that has been the one success of all levels of government, in terms of public awareness, community involvement in this whole area.

We have last year, and have continued this year - last year, we developed a spending for reforestation in the Dutch elm disease. It had never before been in a provincial budget to the City of Winnipeg. This year we increased the funding some \$60,000-odd, quite frankly, a 25 percent increase. But 25 percentage increases are very misleading, obviously, Mr. Chairman. They do indicate that in fairly tight financial times, the amount of capital commitment for Dutch elm has gone up for reforestation.

The support from the Department of Natural Resources has been evidenced in the budget. The city has continued to spend more. We have provided technical advice through the Forestry Department, through the province. I guess it's almost insatiable in terms of the amount of money one can really spend in terms of Dutch elm disease. There is no question; nobody in this House, this Chamber, would argue about the priority of that issue in terms of the quality of life in the city and the quality of life in this province.

We're doing our bit. We're extending our commitment to it. We know the city is as well and, in fact, on an operating basis, is ahead of the province, as the fundamental owner of those trees in terms of as resources on boulevards, etc.

I think the real advantage has been the kind of community activity in this area in the last number of years, and the community ownership of this issue. Some of that has come about by training through the Department of Natural Resources, and the city parks groups and officials, and I think that's been the real positive thing. We can't hire 100 tree inspectors ourselves. We need the volunteers in the community, and I think we've got a very well equipped community to work neighbour-to-neighbour on this issue and spot the trees, work neighbour-to-neighbour and try to arrest the spread of the disease while the reforestation, which will take some 25 years, will take place.

The type of elms that are necessary in this program - I know the city and the province are working together in terms of the forestry expertise that is in the provincial Department of Natural Resources, with the city, for the best stock for the future for our city.

You're absolutely right; many areas of this city are beautiful with the large trees that are in existence, compared to some of the areas where they have those very, very spartan trees that will take a long number of years to develop. There's no question about that in terms of the quality of life in the city.

MR. J. ERNST: Mr. Chairman, my concern is primarily in the area that there seems to be an unfair treatment between one part of Manitoba and another. The Minister didn't seem to touch on that. The fact of the matter is, when you have a \$1 per capita limit of Dutch elm treatment outside of the Perimeter Highway, and inside the Perimeter Highway, it's an area of 50 cents per capita, I have to wonder why that discrimination between the two groups.

Certainly there are an enormous number of elm trees inside the Perimeter Highway that need attention. I think the City of Winnipeg is presently spending somewhere in the area of \$1.5 dollars annually on the basis of sanitation programs for its elm trees. It's, in fact, even reaching out beyond its boundaries in an attempt to deal with those areas along riverbanks where diseased trees are flowing into the city. The preservation of our existing trees - (Interjection) - Is there a problem, Harvey? The preservation of our existing trees, Mr. Chairman, and fair treatment, I think, for those costs are something that the Minister should investigate and should speak to his colleague, the Minister of Natural Resources, and determine that all Manitobans with respect certainly to Dutch elm disease should be treated the same.

HON. G. DOER: Mr. Chairman, I have discussed this issue with my colleague who, I should say, is very, very supportive of the whole area of Dutch elm disease prevention and detection, community involvement, the whole area of reforestation.

Mr. Chairman, dealing with the general issue of funding between Winnipeg and areas outside of Winnipeg, I mean you could talk about per capita, which is very unfair in terms of Winnipeg versus rural Manitoba; you could talk about square miles; you could talk about Dutch elms, you know, dollars per dutch elm. I guess you could argue a lot of different ways.

There are some things, Mr. Chairman, that - (Interjection) - well for example, library grants, Mr. Chairman. I think it does make sense with an economy of scale that's different in rural Manitoba for the per capita grant in rural Manitoba to be higher than the City of Winnipeg. Some people will disagree with that, but the bottom line is, Mr. Chairman, we're trying to do the best we can with the resources we have.

I think the basic activity that's very positive is the work that the Department of Natural Resources has done with their Forestry Branch, with the citizens, with the population. I think, rather than hiring thousands of technicians to go around finding Dutch elm disease, I think it's great that we have literally hundreds of citizens in our neighborhoods owning this problem and trying to solve it in our community on behalf of all of us who live in the city.

MR. J. ERNST: The Minister touched on the next item that I wanted to touch on, and that's the question of library grants, but he's not getting off that easy.

With respect to library grants, we need to discuss that again with the Minister. - (Interjection) - I see you got a little coaching there from the Minister.

HON. L. HARAPIAK: I can always use coaching.

MR. J. ERNST: Well, if the Minister of Natural Resources wants to respond with respect to Dutch elm, go ahead.

MR. CHAIRMAN: The Minister of Natural Resources.

HON. L. HARAPIAK: Just a brief point, Mr. Chairman, when the member was indicating that we on this side should be encouraged to support the program, he should be aware of at least one member on his side of the Chamber has asked us not to implement the Dutch Elm Disease Program in the R.M. of Ritchot, where we as a department were trying to enforce the provisions within the zone around the City of Winnipeg and clean up some of the infested trees. We ran into some difficulties. One member on his side has asked us not to enforce that measure. So, it is perhaps some of the members on his side who he should lobby for that support.

MR. J. ERNST: I'm not entirely familiar with the exact circumstances surrounding, I believe, one person's property in the R.M. of Ritchot but I don't think the Minister can take from that particular issue the fact that that ought to apply to all the elm trees in the City of Winnipeg. Mr. Chairman, that's carrying matters to the extreme, I think, and is certainly not a reasonable position to take.

One particular property owner has a problem, whatever that problem is, and I'm not familiar with the intimate details of it. I don't think you can again, say, apply that approach to the whole of Winnipeg, nor to the whole of our caucus for that matter. For all I know, the Member for Emerson could well be supportive of Dutch elm disease control in every other property, even in the R.M. of Ritchot, so we'll have to - (Interjection) - it's not a secret, I suppose.

In any event if we can return, Mr. Chairman, to the question of Library Grants, we did discuss the matter with the Minister of Cultural Affairs during her Estimates last week and we did discuss the fact that in Winnipeg, for instance, Library grants are equal to about \$2.33 per capita - and yet it's \$4.25 in rural Manitoba.

At the same time, with the advent of the increasing populations on the periphery of Winnipeg but outside the city limits, such as Springfield, East and West St. Paul and the R.M. of Ritchot as mentioned earlier, and so on - those peripheral communities now are more and more utilizing and drawing on the needs and the book stocks of the City of Winnipeg libraries. Yet we're still not getting anywhere near the same kind of treatment in terms of financing.

You know, you can quote all kinds of statistics in terms of who is supporting who, and what levels of financing are available, and if the City is spending more or less than other cities in the country, and so on.

The fact of the matter is that in the relationship between rural Manitoba and the City of Winnipeg, the rate of expenditure is half; again, a significant

discrimination with respect to the City of Winnipeg in this instance. In fact, at \$2.33 per capita, the city is well under-funded from a provincial point of view when \$4.25 is spent in rural Manitoba for those libraries.

I can understand that rural Manitoba's libraries are perhaps not as well stocked and as well run perhaps, as they should be. The fact of the matter is, though, that because the City of Winnipeg has expended a great deal of money itself in maintaining and operating its libraries, that is the only reason, quite frankly, that they're as well stocked as they are.

So we have a concern, Mr. Chairman, and I would hope that the Minister again, although not the lead Minister in this instance, certainly has great responsibilities with respect to the City of Winnipeg, and should try and ensure there is uniform, fair and equal treatment of both Winnipeg and rural Manitoba with respect to this issue.

HON. G. DOER: Mr. Chairman, if there was 100,000 additional money for next year's libraries, I would recommend that the portion of library support be higher for rural Manitoba than the City of Winnipeg.

I want to be honest about that and if I'm neglecting my responsibilities as Urban Affairs Minister, I want to put that on the table. I have worked with the Minister of Cultural Affairs. I think there is a totally different economy of scale with the density of population in an urban area like Winnipeg with 600,000 people versus a smaller community that requires, I think, equal access to books.

So, Mr. Chairman, I disagree. We don't have the formula to get everybody up to the same level. If we had \$100,000 extra next year, I believe it should be distributed, and continue to be distributed at a higher level in rural Manitoba than in the City of Winnipeg.

The grants to libraries went up 14 percent this year, I believe, in the City of Winnipeg. It's either 12 or 14 - it may have even been 12 percent in Winnipeg, and 14 percent in rural Manitoba. I think those are the numbers. I'm just trying to remember it. Those are not bad grant levels, all things considered, Mr. Chairman, they're pretty good.

Manitoba is at the mid-range in terms of library grants to urban centres in this country. The City of Winnipeg is at the lower end. That doesn't mean to say that we both can't improve. I've had discussions with the Minister of Cultural Affairs and the city representatives on this issue, including their Library Committee. I would like to see us continue the proposal to improve library services in Winnipeg. I know that there was a .5 million one-time-only grant last year for book purchase, major capital purchases.

I know the City of Winnipeg itself is putting a little water in the soup by building a couple of extra libraries in some of the new urban centres, which will spread out the services to the public because of the number of staff necessary to keep those things going. That's a decision they made operationally; that's their right to make that decision. They are the ones that raise and spend the majority of the money for libraries.

I personally believe a 14 percent or 12 percent increase this year is very good under the economic circumstances. I would like to see more money available for libraries for all of the province. I still believe that

there should be, due to the economy of scale, a higher per capita grant for rural Manitoba than the City of Winnipeg; I personally believe that.

MR. J. ERNST: Mr. Chairman, the City of Winnipeg has been faced with the closing of its landfill sites over the next two or three years to a point where landfill sites will be reduced to one within two years. The solid waste from the City of Winnipeg is growing in leaps and bounds and the servicing of that waste by landfill is becoming more and more restricted.

As well as that, Mr. Chairman, there's the cost of transporting that solid waste from suburban areas now to one landfill, as opposed to three that presently operate.

There was advanced a proposal in respect to an energy-producing waste plant by burning garbage, creating steam, etc., to produce energy. The city had advanced that proposal. There were some studies ongoing. Perhaps the Minister can advise where that particular project stands at the present time and whether that can be put on stream within the near future so that we don't have to concern ourselves so much with the landfill aspects.

HON. G. DOER: Mr. Chairman, there are a couple of basic assumptions in the study, in terms of the proposal, that have not been substantiated in terms of what would make that proposal financially viable, probably three at this present time. It doesn't mean to say that those things won't change in the future.

One, as I recall it, was the fact that the Federal Government was involved in energy conservation programs and alternative energy programs, and was willing to fund it 50-50. They pulled out of that, I believe, in 1984 or 1985-'85, Mr. Chairman. They pulled out, so 50-50 funding was not available for that project.

The second assumption in the study the city made, as I recall it, was the fact that major institutions, such as the Health Sciences Centre, would go in. Well, the Health Sciences Centre already has their own boiler energy plant, and it would just be totally economically unfeasible for them to proceed.

The third assumption, of course, was the existing cost of energy which of course has decreased radically in the last two years with the change in the price of fundamental energy, including natural gas, although we don't get it.

So those three assumptions in the report have meant that, when the city said will you look at it in the future, we've said to them, yes, we'll look at it in the future. When the city asks us, can you support the proposal today, we say no, based on those three facts. We have expressed that to Mr. Eadie in a written communication from the Minister of Energy and Mines, and you'll note that all those factors change or some of those factors change. It sounds, again on paper, like a great idea. We would be willing to look at any numbers and potential in terms of that energy proposal.

I would say, if the energy prices keep going down the way they are, the numbers to build the garbage energy plant are astronomical, notwithstanding the issue of disposal of the garbage, which is another issue. I think the validity of that problem has been well expressed in terms of the existing availability of sites to dump.

MR. J. ERNST: Mr. Chairman, we thank the Minister for that response, and we'll hopefully monitor that process and see if in fact at some point it makes economic sense and perhaps we're able to carry it out.

Mr. Chairman, I want to touch briefly on the question of assessment that's been ongoing and has been put into place now for the City of Winnipeg. People are receiving their tax bills and there is, I might say, great unrest in the area of people with large lot holdings. Some of the worst fears of those people are coming true with respect to their tax bills. Mr. Chairman, I think about 25 percent of the tax bills, for instance in Headingley, are now in the hands of residents there. Those people on half-acre lots have experienced tax increases in the area of \$200 to \$300.00. People on one-acre lots have experienced tax increases of \$700 to \$800, and people on lots greater than one acre but smaller than five acres are experiencing tax increases in the area of \$1,000 to \$1,200.00.

Mr. Chairman, for someone with a \$2,000 tax bill to be faced with a 30 percent to 40 percent increase in his taxes is pretty unacceptable, particularly when you've got no services to draw on. The fact of the matter is, you're sitting basically in the boon docks. Then all of a sudden, the city comes along and says, we want another \$1,000 or \$1,200 because you have a lot that's greater than one acre in size.

The fact of the matter is those people can't develop their property. They can't get out from underneath the situation of their taxes without selling out their whole holding and leaving. Whether there's a market, considering the kind of tax increases that have come out today, Mr. Chairman, I'm not even sure, and I'm sure no one really knows for sure at this particular time.

The fact remains, however, that these people by the end of June have to pay the City of Winnipeg their taxes in cases of \$4,000 and \$5,000.00. Mr. Chairman, that, as I indicated yesterday, has created a real concern for those people in that area, so concerned as a matter of fact that they're looking - and I talked again to one of their spokespeople this morning. It prompted their concern to opt out of the City of Winnipeg and either create their own municipality or join with another existing municipality in that area, but certainly outside the City of Winnipeg. They are very concerned.

Now having received their tax bill and having faced the enormity of that amount of money, they want to know what options are available to them. They want the study that they requested by petition earlier to be done immediately so that they have an opportunity to assess their own position and determine what course of action they can pursue.

It is very frustrating, Mr. Chairman, to on the one hand sit there without any ability to control your own destiny and yet be faced with the enormous tax bills that are being put forward.

So I would hope that the Minister can enlighten me somewhat as to when that study could be completed, and how soon we can deal with that issue so those people know where they can go, what they can do, and they're not going to be faced with another year's taxes before they can make some decision.

HON. G. DOER: I'm getting all the local complaints about the tax increases, Mr. Chairman.

I've met with the large-lot people and also said at the meeting with the people from Headingley that I'd be prepared to meet in the next couple of weeks, as soon as some of the Estimates are completed and we get a little time to get together.

The citizens of Headingley have the provisions under The Municipal Act, they have the provisions under The City of Winnipeg Act available to them. They also want to deal with the large-lot issue generally because, the last meeting I had with the people from Headingley, they did have the other members of the large-lot group with them when we met here, I think, Monday night a couple of weeks ago, three weeks ago. We're going to get on with that issue in terms of that study and, as I indicated, it'll be for the next legislative round. We'll either be able to tell them yes or no or how they can go about doing it, if they want to. I don't want to prejudice what our position will be until the study has been concluded.

Some people are telling me informally that it was just a bargaining ploy, Mr. Chairman. I considered the concerns legitimate at the public hearing. I'm getting advice one way. You're probably getting advice another way. I know that they can always get the 600, 700, 800 names on a petition, I know that.

We hope that some of the measures put in this year, differential mill rates and phasing in, would provide temporary relief. I don't know what the implications are going to be for that group when the province-wide assessment is completed. I will be working with my colleague, the Minister of Municipal Affairs, who is charged with that responsibility, to see where some of those numbers will go down the road. There is some theory by some of the large-lot holders that the values will be somewhat frozen. I don't know about that. I'm not so convinced it will. I also think we're going to look at the large-lot holders in conjunction with the implications for rural Manitoba over the next period of time the Department of Municipal Affairs is doing it.

So, Mr. Chairman, I guess the convoluted answer to a straight question of what we're going to do, we haven't decided yet. We are going to work on it and we are going to meet with them, and I hope to know very shortly because you're right. They should know what's the lay of the land, whether we're going to do anything or not or whether they have any rights or not. I think they do have some rights under The Municipal Act already to start a petition, etc., pursuant to that act. But we still haven't resolved it internally.

MR. J. ERNST: I think what the people want to know - and I've had some discussions with them. They're going to have some public meetings, I think, within the next couple of weeks. I think what they really want to know is: Are you going to undertake the study, when you're going to undertake it, when it would be completed?

They're not suggesting, and they never did suggest right from the start that they wanted to opt out. What they wanted to do is know what the options were, what the costs were, what the benefits were, and what the drawbacks were so that both they and the city could then make a decision in terms of what the impacts of a withdrawal would be.

Mr. Chairman, can the Minister indicate if they're going to undertake a study, yes or no; if it's yes, when

they're going to undertake it; and when the anticipated completion date would be so that I and he, for that matter, can tell these people what they can expect and they can plan accordingly.

HON. G. DOER: Mr. Chairman, with the greatest respect, we're not going to provide sort of a proactive study of what we think they should do. We're going to study the issue whether Headingley should be in or out, and what options they would have as residents. They're going to have to decide themselves the benefits that they get living there and the drawbacks and what are the advantages of moving. We're not going to do that for them, obviously. I would expect that prior to the end of '87, that can be completed.

Our priority is to rewrite the whole City of Winnipeg Act. We'll do this study as well and have that ready in the latter part of '87, but I will be meeting with them prior to that to talk about the schedule. It's not an extensive thing for us to do; it's just a matter of putting some of the things together. We're not going to tell them whether it's good or bad to stay there; that's their decision.

We will let them know whether they will be able to leave under the existing legislation; what would they have to do to leave that under the existing legislation; or whether, in fact, we are going to allow that even to happen. We will discuss that with the city as well.

MR. J. ERNST: Mr. Chairman, the people of Headingley asked no one to make any decisions for them. What they want to do is make some decisions for themselves, but they want to make it on an informed basis. They want to know if, for instance, they would form their own municipality, what the relative costs might be to operate that municipality, what requirements are there under The Municipal Act; what does the Department of Municipal Affairs require of municipalities, and things of that nature - things that they are not familiar with.

No one is suggesting, certainly, least of all the people of Headingley, that anyone needs to make a decision for them of whether they should be in or not in. They simply wanted to make an informed decision. Then once that informed decision is taken, based on proper and adequate information, then they can proceed and do whatever is necessary to lobby the government to allow them to leave or whatever other action is decided upon.

They're concerned, and I'm pleased to hear now that the Minister is prepared to undertake the study to have it completed sometime before year-end so that they would have an opportunity to study it in advance of them facing many more years of very large tax increases and a very heavy burden of real property taxes on their homes.

Mr. Chairman, if there are no other questions from anyone else, I'm prepared to pass section 3.(a) to (f).

MR. CHAIRMAN: Sections 3.(a) to 3.(f)(2), inclusive, were each read and passed.

Resolution No. 138: Resolved that there be granted to Her Majesty a sum not exceeding \$2,804,700 for Urban Affairs, Urban Policy Coordination, for the fiscal year ending the 31st day of March, 1988—pass.

Item No. 4.(a)(1) Expenditures Related to Capital, Acquisition/Construction of Physical Assets: Payments

to Other Implementing Jurisdictions; 4.(a)(2) Payments to Other Provincial Departments; 4.(a)(3) Departmental Expenditures; 4.(b) Acquisition/Construction of Physical Assets: Agreement for Recreation and Conservation for the Red River Corridor; 4.(c) Financial Assistance to the City of Winnipeg; 4.(d) Riverbank Development; 4.(e)(1) Payments to Other Implementing Jurisdictions, Acquisition/Construction of Physical Assets, Canada-Manitoba Winnipeg Core Area Renewed Agreement; 4.(e)(2) Payment to Other Provincial Departments; 4.(e)(3) Departmental Expenditures - the Member for Charleswood.

MR. J. ERNST: Mr. Chairman, we talked in other parts of dealing with the Estimates about the six-year \$90 million Capital Program for the City of Winnipeg.

Can the Minister indicate if such an agreement exists, and, if so, would he be prepared to table it?

HON. G. DOER: Mr. Chairman, it's on the agenda again for mid-June. We have some general parameters of agreement. We haven't dotted the "i's" and crossed the "t's"; and notwithstanding that, we're still meeting our commitments pursuant to that \$90 million Capital Program or the \$180 million Joint Capital Project for the city and the province. As soon as it is agreed to, Mr. Chairman, I'm prepared to table it with the member.

MR. J. ERNST: Can the Minister indicate what the provincial priorities are in general terms?

I appreciate that there's still an agreement to be negotiated; but, obviously, the province has some general priorities, some general directions that it wants to pursue in the area of capital development in the City of Winnipeg.

Can the Minister indicate what the general focus is under that program?

HON. G. DOER: Mr. Chairman, the priorities are very similar to what's been in the last two letters that I've sent to the mayor of the city. The member opposite has a copy from last year and I believe we made a copy of the letter public this year to the member opposite. So the priorities are very similar to that.

They change a bit, Mr. Chairman. This year, for example, there's a little bit of money that was requested by the city for the Assiniboine Zoo whereas last year there wasn't. There is money for various proposals in the Capital Project. It makes the best interests for the city and the province. I said in my press conference there was one area of disagreement between the city and the province we're hoping to resolve at the June 15 meeting in terms of this year's capital. That's the noise barrier issue. That's a public issue that the member opposite is aware of.

Other than that, when one considers the sum of \$45 million or so that's been committed already under this agreement - \$43 million I believe - we have a fair degree of agreement. There's only been the one project that's been in dispute.

So we're basically looking at streets in the \$33 million range, land drainage in the \$12 million range; Culture, Heritage and Recreation in the \$6.9 million range; community development and housing is a \$7.9 million range; transit system, \$19 million; water and sewage, \$4.6 million.

There's some \$5 million to \$6 million unallocated that we're still negotiating with the city on.

Those are the broad parameters, but they'll be more specific when we get the agreement nailed, and I'm certainly prepared to provide that to the member opposite.

MR. J. ERNST: I thank the Minister for those comments and an indication of what the province's viewpoint is on those matters.

With respect to some of the major transportation projects, has any resolution been arrived at with respect to the Waverley Street overpass?

The last I had understood was that, No. 1, the city has an agreement that requires the CNR to build a grade-separated crossing at that location; and, No. 2, the then-Minister of Urban Affairs, the late Mary Beth Dolin, and Mr. Lloyd Axworthy, the then-Minister, announced some agreement just prior to - I'm sure it was a federal or a provincial election - I guess it was the federal election - indicating that they were going to provide the funding to build that grade-separated crossing on a cost-shared basis.

The city was still of the view that they had an agreement, that the CN was required to build it under an earlier than 1900's agreement and that actually Waverley Street was the wrong location to build it and it should have been built at Kenaston Boulevard. Any grade separation on the CN mainline should have been built at Kenaston Boulevard.

So I wonder if the Minister can indicate or bring me up-to-date on what's happening in that area and whether any changes have taken place, or what is anticipated.

HON. G. DOER: Mr. Chairman, I do recall correspondence we've had with the city and the province dealing with the Keewatin Underpass, and there has been some federal money for Keewatin, but there's been no federal commitment for the Waverley, notwithstanding the previous commitment. As we understand it, and as I understand it, and I could be corrected, it's been downgraded as a city priority in terms of their transportation system and it's certainly not on the list for the provincial share of the money listed in this total.

MR. J. ERNST: Within the major transportation projects section of the proposed six-year budget, can the Minister indicate what the priority list of the province is then?

HON. G. DOER: Mr. Chairman, we're still discussing that with the city and I don't want to prejudice our meeting on the 15th of June on that. We're still working on that proposal. I haven't had a briefing in the last couple of weeks, quite frankly, on it because I've been very busy, but I want to get it resolved on the 15th potentially with the City of Winnipeg.

MR. J. ERNST: So do I understand then, Mr. Chairman, that the province's priority list is flexible in terms of major transportation projects, that they are negotiable in terms of priorities or you're open to suggestions by the city that certain other projects may have a higher

priority in their view, and that you're prepared to agree to that; is that correct?

HON. G. DOER: Mr. Chairman, we have our biases in terms of priorities, based on data. As well, some of the things that were proposed a couple of years ago have changed with the city, except for one project where there's a very fundamental disagreement, and that's been the Lagimodiere project, and I want to be honest about that. We're trying to resolve that issue. It is a dispute under the \$90 million Capital Project. Except for that proposal, I hope to resolve it by consensus.

MR. J. ERNST: I assume, Mr. Chairman, that the Minister is referring to the noise attenuation project on Lagimodiere Boulevard that was announced by the Minister of Environment at an Executive Policy Committee meeting about two weeks before the election.

I notice now that the province has upped the ante a little bit and is using that as a carrot to try and induce the city to get involved in some other noise attenuation projects. If, in fact, the government is serious about noise attenuation projects, then I suspect a major analysis of the whole issue needs to be done.

I appreciate that the people of Windsor Park have a problem with respect to traffic noise on Lagimodiere Boulevard. The traffic noise has been there for a long time; it's not something that happened yesterday.

Some of the concerns that I remember that were being brought up was in fact, if a noise attenuation barrier is constructed along that route, in fact the noise will simply go up and over and fall back on houses that are now presently not as adversely affected as those who face directly onto the highway.

Noise attenuation barriers aren't always what they're cracked up to be certainly, particularly when they're put in after the fact as opposed to being designed into the project right from the start.

I've been through a number of areas in Europe and in the U.S. where the noise attenuation barriers have gone in and they really haven't solved the problem; they've simply transferred it or, in some cases, it has not affected it very much at all.

If the city is serious, then I think rather than try and force the issue on this particular transportation approach, notwithstanding the fact the Minister committed himself, but rather, if there is a major concern about noise attenuation procedures, then let's look at a priority list for that and try to analyze what the major problems are, where they are, and how they can best be dealt with. If the province is prepared to put some money toward those kinds of facilities, then great, let's try to deal with it on the basis of priorities, on the basis of need, as opposed to necessarily the basis of political commitment.

HON. G. DOER: I'm glad the Minister of the Environment is here to react and I would suggest, Mr. Chairman, that he is a vigorous MLA on behalf of his constituents, as many members in this House are.

Mr. Chairman, we did reach an impasse with the city last year on the Lagimodiere sound barrier, and you're probably right, Mr. Chairman, there is more than one location that probably in this city requires a sound

barrier, some of which by the way should have been planned, I think, as part of development in some of those areas. Some of the development around Waverley, I would have liked to have seen as part of the development plan, that the developer put in a sound barrier so the public wouldn't have to pay for it later. That's a personal bias. I think new developments that go along major routes that have residential areas should have a noise attenuation project or barriers put in.

There are other places in the city beside Lagimodiere where we think sound barriers would be useful. We have proposed Lagimodiere. The city said they thought there were other projects. They said "no" to a study, so we agreed with them on the study and we proposed the funding this year, Mr. Chairman, to have the potential of doing two sound barriers, cost-shared, whether it's Route 90 and Lagimodiere or some other route, do two of them, if they ever finish the bridge, and have those two evaluated so it isn't necessarily located in "an area that they feel should be another area."

We are going to discuss this issue again on the 15th of June. Of the some \$25 million dollars that has been committed in the last two years by the government and with the city, this is the only area in dispute that I'm aware of, besides the fact that we should always give more money. That probably will always stay in dispute, and I respect that, but I'm hoping to resolve it with the city and I think we can. I think it's useful to have sound barriers in that kind of density of traffic, and there are others, I agree, in the city that probably warrant the same kind of long-term treatment.

MR. J. ERNST: We have a crying need throughout the city, never more evident than today, and we did discuss this yesterday, but never more evident than this summer at this particular time with the streets torn up all over the city that some method of introducing new transportation routes throughout the city to accommodate some of the traffic movement throughout the city is necessary. We've seen, Mr. Chairman, no new traffic routes in the City of Winnipeg in the last 18 years or so, with the exception of one - the St. Vital bridge and its corridor.

There has been a significant growth throughout the city, certainly a significant growth in terms of traffic throughout the city. The difference between 1976 and 1981, I think was, there was more traffic in 1981 during the off-peak hours than there was in 1976 in the peak hours. So that kind of rapid increase in traffic, Mr. Chairman, is being accommodated and has been accommodated on the existing street system, by and large. There have been some local changes here and there, some improvements, some lane widenings and things of that nature, but by and large there have been no new transportation projects to move that traffic.

We are the only major city in Canada, Mr. Chairman, that doesn't have the kind of internal rapid movement system that can move traffic quickly from one side of the city to the other. You hesitate to call them freeways, Mr. Chairman, because people have connotations of freeways that aren't necessarily associated with rapid movement systems.

The Minister has indicated, we had a discussion yesterday about how the fact is the priorities of money are there and there's only a certain amount of money

available and it's certainly not going to come from the province with respect to capital beyond the general area where it is now, give or take some inflationary factors.

The problem is not going to go away. While there is a question of sort of trying to hold on to what you've got and then trying to work in something new to try and improve matters, Mr. Chairman, has the Minister got any other ideas with respect to that capital improvement as to how it can be funded? Has he made any overtures or have his colleagues made any overtures to the Federal Government to reinstitute an urban transportation assistance program, such as was in effect a few years ago? Have any discussions been taking place with the federal Departments of Transport or Finance with respect to those capital funding situations? I know we've seen in the past in the States that very many of the interstate highways that run through major centres and serve as major transportation corridors for them were, in fact, funded federally under federal transportation programs.

As a matter of fact, on the Island of Oahu in Hawaii they have an interstate highway. How they connect to any other state, I'm not sure, but I gather they were eligible for interstate funding because of a program and somehow convinced the Federal Government that they should qualify. Has the Minister done any work in that area to try and resolve some of these transportation projects, or transportation problems rather.

HON. G. DOER: The member opposite makes an interesting point about the Federal transportation system. If I recall correctly, the whole interstate highway system was developed by the Federal Government out of the military spending budget as a rapid evacuation system in United States under former presidential jurisdictions. It came out of military spending with state and local spending.

Perhaps it makes sense, Mr. Chairman, that we should talk to Perrin Beatty as he comes along with his submarines for the Arctic that perhaps, rather than having submarines for the Arctic, it would be better to pour those billions of dollars into a transportation system.

I believe, Mr. Chairman, and I said before that, with the urban capital projects, we would be certainly willing to look at one-third funding, because that's the way I thought that major infrastructure development, including rapid transit, could be developed with one-third dollars. The Minister of Municipal Affairs and I are meeting with our provincial counterparts and I believe the Minister responsible for the Treasury Board, Mr. de Cotret, is going to be there with the proposal, including rapid transit, that the member opposite was involved in some two to three years ago with his colleague, the former Mayor of Vancouver; the present Leader of the NDP in British Columbia.

I'm not optimistic terribly, but I would rather see maybe, instead of buying those submarines, I think it would be more useful for the citizens to put those billions and billions of dollars into a transportation system and a system that allows us to improve rapid transit in some of our major cities.

There's no question Winnipeg is on the edge, on the one hand, of having a system that allows people to get

around much quicker than most other cities of comparable size, but expanding to a point where rapid transportation starts to get into the area of feasibility or feasible, particularly if future growth continues the way it is.

MR. J. ERNST: I thank the Minister for that.

I would hope that the Minister and his - at the federal-provincial meetings of Municipal and Urban Affairs Ministers, that they will discuss that whole question of another UTAP Program. Certainly, the last UTAP Program was pretty limited in scope and limited in funding. But it went some way toward funding of the projects in Winnipeg and other centres across the country but a major, I think, application of that needs to be addressed. I think also it can be sold on the basis of job creation alone.

You know, TRIP Canada has indicated pretty clearly, I think, that you can get about 28 or 30 jobs per \$1 million of capital construction in highways - that's man-years of work - so that there is significant job creation potential on a direct basis. Then on an indirect basis in terms of the spinoffs to suppliers, steel manufacturers, concrete suppliers and things of that nature, that can also add to that job creation total. So simply from the point of view of job creation alone, it ought to be a program to be considered by the government, by all governments, not just the Federal Government.

It should be considered by the members opposite as well, that some pretty questionable programs in the name of job creation have passed through the books from time to time, and here you have a very significant, well-documented, very lasting benefit, a job creation that's well identified, has a double-whammy effect for the taxpayer, both the provincial taxpayer and the municipal taxpayer, no matter where the project takes place.

So, Mr. Chairman, I would hope that the Minister would consult with his colleagues and look at his own job creation efforts to determine that these kinds of

things can be funded, can create jobs, can be a distinct advantage to all of the taxpayers of the country and of the province.

Mr. Chairman, unless other members have questions, I have none further.

MR. CHAIRMAN: 4.(a)(1) to 4.(e)(3), inclusive, were each read and passed.

Resolution No. 139: Resolved that there be granted to Her Majesty a sum not exceeding \$20,650,200 for Urban Affairs, Expenditures Related to Capital, for the fiscal year ending the 31st day of March, 1988—pass.

Reverting back to Item No. 1.(a) Minister's Salary—pass.

Resolution No. 136: Resolved that there be granted to Her Majesty a sum not exceeding \$539,700 for Urban Affairs, Administration and Finance, for the fiscal year ending the 31st day of March, 1988—pass.

MR. DEPUTY CHAIRMAN, M. Dolin: Committee rise. Call in the Speaker.

IN SESSION

The Committee of Supply adopted certain resolutions, reported same and asked leave to sit again.

MR. DEPUTY SPEAKER, C. Santos: The Honourable Member for Kildonan.

MR. M. DOLIN: Thank you.

I move, seconded by the Honourable Member for Ellice, that the report of the committee be received.

MOTION presented and carried.

MR. DEPUTY SPEAKER: Is it the will of the House to call it six o'clock? (Agreed)

The hour being 6:00 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. tomorrow. (Wednesday)