

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, December 7, 1989.

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### MINISTERIAL STATEMENTS

**Hon. Gary Filmon (Premier):** I am very pleased to table copies of the Manitoba-Ontario Hydro agreements, which Premier Peterson and I signed this morning, along with the chairman of the respective Hydro utilities. I believe the Leaders of the Opposition Parties have already received the background briefing material that was issued in conjunction with the signing ceremony.

I said this morning that the Ontario Hydro sale is the largest tangible example of interprovincial co-operation in recent memory. Mr. Speaker, it is a great deal more than that. It is the largest power sale by far that Manitoba has ever made. It goes without saying that it is the largest sale that we have ever made to another Canadian province. In dollar terms, the sale will lead to the largest construction project in the history of Manitoba.

The basic facts are clear: a 1,000 megawatt sale; estimated revenues of \$13 billion; in every year of the sale, lower hydro rates than would otherwise apply; \$5.5 billion in investment on Conawapa and the new transmission lines; up to 3,000 direct jobs during peak construction; improved training for Native and northern Manitobans; greater reliability and security in the Hydro system and protection of the environment.

Those are the key facts about the sale and the project, but there are some other facts we should remember as well. First, we are talking about the sale of a renewable resource. Some Manitobans forget how fortunate we are to have such vast reserves of renewable hydro-electric energy. Very few other provinces are blessed with the kind of endowment we sometimes take for granted.

Another fact is that the projects we have announced today are exactly what we mean when we talk about sustainable development. It would be hard to produce a better example. Economic and environmental concerns are being reconciled in a responsible, well-planned way, in a way which will mean permanent benefits for Manitoba now and for future generations.

Another fact is that the sale will mean a major inflow of revenue from Ontario. That is the best kind of regional development activity. It is the kind that we want and we need. We will realize a \$13 billion cash inflow, and our resource heritage will remain intact and undiminished.

\* (1335)

Finally, another fact should be noted as well. This is an interprovincial project and essentially a Manitoba

project. There was no federal financial involvement. Federal support has been automatic for the development of oil and gas in other provinces and for its transmission. In past years there has been some federal support in Manitoba for transmission line construction, but at the present time we are proceeding on our own with this project, and we are assured that it can be financed as part of our regular capital program. In other words, we are developing our resources ourselves, and we are extremely proud of that fact. In fact, this is a day for all Manitobans to be proud. Thank you, Mr. Speaker.

**Mrs. Sharon Carstairs (Leader of the Opposition):** First of all, I want to thank the Premier (Mr. Filmon) for the tabling of these documents in such a fast way today. I mean that in all seriousness. It has not always been that agreements have been tabled on massive Hydro projects with that kind of, I think, responsible attitude towards the public and this House, and I thank the Government for that.

I also thank the Government for the process which it has announced. It took some persuading, I think, that they would make a full reference to the Public Utilities Board, but the Premier has committed himself to that. The Government should be commended for an attitude of wanting the public to have the opportunity to fully evaluate all contracts through this process of a Public Utilities Board hearing. I also congratulate them on an environmental assessment study that they have indicated they are prepared to do.

We have some questions, and those questions will come later today. From what we have seen to date, we admire very much the process that this Government has gone through. We admire the disclosure which they have to date provided to us, and because we have just seen the contracts, we hope that the contract indeed has in it all of the benefits that have been so described to us.

**Mr. Gary Doer (Leader of the Second Opposition):** Mr. Speaker, it is indeed a pleasure to rise this afternoon on the announcement and the tabling of the sale to Ontario and Ontario Hydro. The New Democrats have always believed that Hydro and Hydro development is the ace in the hole for Manitobans.

The tremendous resources we have in our northern rivers, if appropriately developed, is the ace that we have. Just like Alberta has oil, other provinces have other resources. We have steadfastly believe that the development of our hydro resources in the most effective way is one of the ways in which we cannot only sell power but keep our rates low and competitive and attract needed industry to Manitoba.

We signed an agreement with Ontario Hydro, Mr. Speaker, on August 28, 1987—I have a copy of the contract here—for 200 megawatts of power. The parties agreed to continue negotiating through 1989 for an

additional firm power sale for Manitoba between 400 and 1,000 megawatts for a period of up to 25 years. We are glad that the Government has followed through on the condition in the first 200 megawatt deal and brought forward the 1,000 megawatt sale to the Province of Ontario and the people of Ontario.

On the one hand, we ensure that the environment is protected in Manitoba through an environmental impact study, necessary under the new Environment Act which we passed; on the other hand, the environment is very much an advantage to Manitoba now. The markets we have in the United States and the markets we will have in Canada, with the changing beliefs on nuclear energy, the changing beliefs on coal and the destruction of our environment in terms of coal producing energy will allow us to continue on together any development of our hydro resources.

Mr. Speaker, we will look at this agreement. We will ensure the training and job content for Manitobans, and that is where we will be addressing ourselves to throughout the debate.

\* (1340)

Let us stop the partisan politics on Hydro development, because it is and is always going to be a tremendous advantage, an ace in the hole for Manitoba development, something New Democrats have been saying for 20 years. Thank you very much, Mr. Speaker.

**Hon. Gerrie Hammond (Minister responsible for the Status of Women):** I have a ministerial statement.

I rise today to express the horror and shock that all Manitobans feel today at the massive killing of 14 women and wounding of another 13 people yesterday in Quebec.

On behalf of this House I would like to offer our condolences to the families of these victims and to offer our prayers for the recovery of the victims now in hospital. The effect that this type of killing can have on a community can be devastating. I know discussions will be held across Canada today and many people, particularly women, will have a growing sense of fear and discomfort about our safety.

We have talked before in this House about the need for all women to feel safe. Women, all of us, must feel safe. This random type of senseless killing makes us all question our safety, makes us challenge our belief that we live in a safe community, but it is particularly terrifying when it is apparently aimed at one group, in this case feminists, and the retaliation is toward all women.

There will be a vigil, and I have not been informed yet as to the date, but as soon as I know I will be sure to let everyone in this House know. As many of you know, these vigils are held whenever a woman dies violently. Although in the past these vigils have primarily been for abused women who have been killed by their partners, this one will be held because women were killed because they were women. How frightening.

I know that this Government will continue to act as advocatés for the safety of women, but it must give

us all pause to experience the sense of helplessness at this random, senseless, unprovoked slaughter. I ask that you all remember these women who have died today and in their remembrance join me in a moment of silence.

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, we will be pleased to join with the Minister, but we would like to put a few remarks on the record first.

The tragic events of last evening at the Université de Montréal horrified us all. Our deepest sympathies are extended to the families and friends of those who lost their lives and those who are injured and are lying in hospital.

As a woman, I am particularly saddened by this apparent violence toward other women. We have made great strides in our nation toward equality. However, this act shows we still have a much longer road to travel.

Monsieur le président, cet incident tragique au Québec aurait pu se produire à n'importe quel endroit au Canada, dans n'importe quelle ville. Trop souvent, nous nous disons que ces incidents ne se produisent jamais dans ce pays. Malheureusement, comme nous l'avons vu hier, cette impression est fautive. Nous avons perdu quatorze de nos concitoyennes—des personnes pleines d'avenir.

Cet incident démontre encore une fois qu'il existe dans notre société un malaise profond, surtout chez nos jeunes: le désespoir, l'angoisse, qui souvent se manifestent par des actes criminels, ou encore, le suicide. Il est temps que nous nous attardions à ce problème pour éviter que des incidents tels que nous avons vus hier ne se produisent plus jamais.

\* (1345)

Monsieur le président, en ce jour triste pour le Québec et enfin pour tout le Canada, il est approprié que nous communiquons aux Québécois, par l'intermédiaire du Premier ministre du Québec, notre témoignage de fraternité et d'humanité en ce temps difficile.

**(Translation)**

Mr. Speaker, this tragic incident in Quebec could have happened anywhere in Canada in any city. Far too often we tell ourselves that these incidents never happen in our country. Unfortunately as we saw yesterday such is not the case. We have lost 14 of our Canadian sisters, women with a bright future before them.

This incident demonstrates yet again that in our society there exists a deep malaise, especially in our young people, despair and anguish, which is often characterized by criminal acts or even suicide. It is time for us to address this problem in order to prevent such incidents as the one that occurred yesterday from ever happening again.

Mr. Speaker, on this sad day for Quebec and indeed for all of Canada, it is incumbent upon us to express

to all of the people of Quebec, through the Premier of Quebec, our feelings of fraternity and humanity at this difficult time.

**Ms. Judy Wasylcia-Leis (St. Johns):** I rise today to express our outrage, shock and grief at the senseless massacre of 14 students, and the wounding of 13 others at l'Ecole Polytechnique de l'université de Montréal.

This senseless horror of yesterday is very hard to believe and impossible to understand. This tragedy, this barbaric massacre, is painful because 14 young people were shot down in the spring of their lives. It is all the more painful because the murderer chose women, targeted feminists. Clearly this tragedy is an example of violence against women of the greatest most tragic proportions. Young women breaking new ground, working to contribute to society, to contribute to their province and this country, were killed in the most senseless, horrible, imaginable way.

We join with everyone in this House to offer our sympathy, our thoughts, our prayers to the friends and families of the victims of this tragic massacre, which will I am sure bring little comfort to the family and friends of the victims.

I appreciate the opportunity to join with all Members to express our grief through a moment of silence and to rededicate ourselves to fighting to end violence against women.

**Mr. Speaker:** Is it the will of the House to observe a moment of silence for these unfortunate women? Everybody will please rise.

### (A moment of silence was observed)

### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to Oral Questions, may I direct Honourable Members' attention to the gallery, where we have with us this afternoon from the Aberdeen School, ten Grades 7, 8 and 9 students. They are under the direction of Mr. Buss. This school is located in the constituency of the Honourable Member for Burrows (Mr. Chornopyski).

Also this afternoon, from the General Wolfe School, we have fifty Grade 9 students. They are under the direction of Mr. Lomas. This school is located in the constituency of the Honourable Member for Ellice (Ms. Gray).

Also, from the Lockport School, we have twenty-five Grade 9 students. They are under the direction of Sheila Whyte. This school is located in the constituency of the Honourable Member for Selkirk (Mrs. Charles).

On behalf of all Honourable Members, I welcome you here this afternoon.

### ORAL QUESTION PERIOD

#### Conawapa Project Licensing Stages

**Mrs. Sharon Carstairs (Leader of the Opposition):** As I indicated earlier in my remarks to the Premier's

(Mr. Filmon) announcement, we have a number of questions which we wish to ask the Premier today with respect to the sale that was announced at ten o'clock this morning.

In the material that was put out by Manitoba Hydro there is a statement that licences will be granted in stages of the project. Can the Minister tell the House if impact studies will be required at each stage, even at stages where impact studies are not required by the legislation of the province?

\* (1350)

**Hon. Glen Cummings (Minister of Environment):** The staging of licences is quite within the requirements of The Environment Act, but the Clean Environment Commission will have an opportunity to assess that as the process comes forward. Certainly all of the licensing of the project will be handled in accordance with their recommendations.

#### Environmental Impact Study

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, as the Minister is well aware there comes a point where one has taken a project so far into its development that it is very difficult to reverse that position. Can the Minister tell us today if it is anticipated that before any of the licences are granted there will be a general environmental impact study commenced and conducted and hopefully completed before any licence at any stage is granted?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, the corporation has indicated they would be seeking all of their environmental clearances prior to the major portion of the construction getting under way.

#### Conawapa Project Environmental Impact Study

**Mrs. Sharon Carstairs (Leader of the Opposition):** One assumes from that that we have to leave it up to the Government or to Manitoba Hydro to determine what the major portion of that will be. Can we not get a commitment today that would indicate that environmental impact study will in fact be conducted and concluded before any of this project has begun?

**Hon. Gary Filmon (Premier):** I think the Leader of the Opposition (Mrs. Carstairs) should know a number of things. First, this is not a project that is new on the horizon of Manitoba. It is one that has been in the conceptual stage since at least the 1960s. It has had a great deal of preliminary work done. In fact, there has been a year of review of environmental assessment on the project up until this point. There have been reports done on the potential environmental impact, in that these reports will form the basis for consideration of how much further environmental analysis will have to be done to ensure there are no negative effects to the project.

I also point out to the Leader of the Opposition (Mrs. Carstairs) that there is a full year allowed for in those

agreements. She will see that when she has a chance to go through them, whereby the environmental processes on both sides of the border, because Ontario will have to be doing theirs concurrently on their transmission line facilities, the agreement contemplates at least a year for environmental assessment review and public hearing process to take place. So it is built in, there is consideration given, so that I believe we can be assured that no major efforts to proceed with the project need take place until the full environmental assessment is done.

### Preferential Employment Policy

**Mrs. Sharon Carstairs (Leader of the Opposition):** As the Premier has just pointed out, we have just been given the contracts, and therefore we have not had the opportunity to study them. Can the Premier tell the House today if included in those contracts are any preferential employment clauses for the employment of Northerners and Natives?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I should say to the Leader of the Opposition that is not a matter over which Ontario should have jurisdiction. Quite frankly, that is a matter over which Manitoba has jurisdiction. Ontario's interest is in receiving the power in the quantity and at the time that they need it for their system. That is their contractual requirement.

It is our obligation to deal with how we produce that power and how we provide and assure that it will be provided to Ontario. In the course of doing so we need to construct the Conawapa dam and the north-south transmission facility by Bi-pole Three.

It is under those construction agreements that we will put in place the requirements which we believe are fair and reasonable for enhanced northern and Native employment opportunities, enhanced opportunities for our contractors, suppliers and Manitoba businesses in general. Those are the policies of both Manitoba Hydro and indeed this Government.

**Mrs. Carstairs:** So we can clarify what the Premier is saying, is the Premier saying today in the House that no contractor will be given a contract, or the general contractor, the overall contractor, will not be given a contract with this Government for this project without preferential statements and agreements, within that contractor, for Manitoba business and Northerners and Natives?

\* (1355)

**Mr. Filmon:** What I am saying to the Leader of the Opposition is that is not a matter of contractual agreement between Manitoba and Ontario. That is not appropriate to be a matter that Ontario should dictate to us whether or not we can do preferential hiring, that Ontario can dictate to us whether or not we can call for preferential treatment for Manitoba bidders, or Manitoba contractors, or whatever have you; that we, as a province, have an obligation to ensure that we assess all of the economic opportunities at our disposal, that we utilize the tools of economic development in

this province in ways that we can maximize the benefits to the people of Manitoba, whether they be contractors, whether they be businesses, whether they be skilled tradesmen and workers throughout our province.

Of course, that is something that we would like to do and we would like to ensure that we make it possible for Manitobans to enjoy the greatest benefits out of this, the greatest project that has ever been undertaken in our province's history.

**Mrs. Carstairs:** Mr. Speaker, we are pleased at the word "possible," that it will be, after all, this Government that draws the contracts. In the drawing of the contracts, will they ensure that those contracts include in them preferential treatment for Northerners, Natives and Manitoba business?

**Mr. Filmon:** Mr. Speaker, I will point out a number of things. Within the Nelson-Burntwood collective agreement there are opportunities and requirements for Manitoba Hydro to ensure participation of Natives and northern Manitobans as part of the process, a very important part of the process. We have also committed that we will learn from the example and from the experience of the Limestone development, to improve upon those achievements that were there for northern and Native participation with respect to the utilization of suppliers and contractors in Manitoba. There are many factors involved.

I will say this, though, that Manitoba businesses, contractors and suppliers are never asking the Government to choose a higher bid because it is a Manitoba company. They have always consistently, whether it be the Canadian Manufacturers' Association, the Chambers of Commerce, the Construction Association, the heavy construction industry, said that we should give, on a tender basis, the contracts to the lowest qualified bidders, and we will be consistent with that. Where we can help them is by ensuring that we make maximum information possible available to them so that they can gear up for it, so we can have contracts in sizes that are of a reasonable size for them to bid on, because in many cases contracts of \$1.5 billion, or something of that nature, would not be possible for one construction firm, or even a Manitoba consortium, to access—

**Mr. Speaker:** Order, please. The Honourable Leader of the Opposition.

**Mrs. Carstairs:** Mr. Speaker, because Limestone was hurried, and it was hurried not because of careful planning, but because of a political agenda - (interjection)-

**Mr. Speaker:** Order, please. Order.

### Native Training Programs

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, all too often Natives, in the early stages, were trained only as cooks and cleaners. In the later stages more suitable and more high-level training was available. As a result of the layoffs of almost all of the

Natives originally associated with Limestone training, how does this Government envisage that there will be more skilled training available to our Native communities than there were in the early stages of the Limestone project?

\* (1400)

**Hon. Gary Filmon (Premier):** Let us understand first that for Limestone much of the training infrastructure and training programming was begun just a matter of months or less than a year before the major civil works contract was issued. As a consequence, we did not have a time frame of a year or two to develop the kinds of skilled tradesmen that would be able to participate. We are looking at a time frame in excess of four years in which to develop the training, the programming and the infrastructure so that those Natives and those Northerners who do not have the skills today may have the skills developed by the time they are required for major civil works and the major elements of construction of Conawapa. We think we have a major advantage in that respect and an opportunity to ensure that it happens in a much better way.

### Conawapa Project Native Involvement

**Mr. Elijah Harper (Rupertsland):** Mr. Speaker, my question is to the Premier. Today the Premier signed a hydro export agreement with Ontario Hydro that will lead to the construction of the largest single project in the history of northern Manitoba. The aboriginal people had a partnership with this Government and today the partnership is no longer there. A few moments ago the Limestone Aboriginal Partnership Board announced, and dissolved today. They have dissolved because they are completely frustrated in dealing with this Government.

Mr. Speaker, through you, why did the Government not inform the aboriginal people of today's announcement? Why were they not briefed of today's agreement? They also presented a paper to this Government in August and to date they have not received a response. Why has this Government driven the partnership to the point to which it could no longer continue?

**Hon. Gary Filmon (Premier):** Mr. Speaker, we have an example of exactly what the NDP's relationship was and their idea of including Natives in the process. They set up the Limestone Aboriginal Partnership Directorate and they funded a committee, so to speak, but they were not involved in the real decisions and the real opportunities for maximizing Native content in that project. They may well have thought that their contribution was to have a committee of those people set up and not listen to them, not involve them, and certainly not consider them in the decision making.

Mr. Speaker, they have not dissolved themselves because of any lack of a relationship by our - (interjection)- From the minute we were elected, they met with us to tell us that they were set up as a committee. They were never asked to do anything

meaningful by the NDP. That is exactly what they told us. Their role, their mission, their mandate, under the Limestone Aboriginal Partnership Directorate was one that did not involve them in any meaningful or serious way in the Limestone development.

I have said earlier that we will learn from the experiences of Limestone. Many of the faults and weaknesses of Limestone were because of the fact that the NDP paid lip-service and set up committees rather than involve the Native people. We will not do that.

### Conawapa Project Native Training Programs

**Mr. Elijah Harper (Rupertsland):** Mr. Speaker, this Government closed down the Limestone Training Agency last year. Considering the flexibility by the Limestone Training Centre meant more Natives were trained and later employed on the project, what special measures will this Government make to make sure that northern Natives have opportunity to be trained to work on the project on Conawapa and also on Bi-pole Three?

**Hon. Leonard Derkach (Minister of Education and Training):** First of all, I would like to correct the Member for Rupertsland (Mr. Harper) with regard to his false accusation that in fact the training agency in northern Manitoba has been shut down. The training agency in northern Manitoba, Mr. Speaker, has been changed in name from the Limestone Training Agency to the Northern Training Agency as it should be named.

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please.

**Mr. Derkach:** Mr. Speaker, I would also like to point out that when we took Government there were some seven employees of the Northern Training Employment Agency working in Winnipeg. We have transferred the administrative part of the Northern Training Employment Agency to the North where it should be, and it is going to be run by northern Manitobans as it should be.

### Conawapa Project Native Benefits

**Mr. Elijah Harper (Rupertsland):** Mr. Speaker, through 1986 and '89, the elections, the Premier (Mr. Filmon) and his Party have promised the communities on the east side of Lake Winnipeg that they would link the main hydro line into these communities. Since Bi-pole Three will be built on the east side, what can my constituents expect to benefit from this power?

**Hon. Gary Filmon (Premier):** Mr. Speaker, when there is a transmission line facility that is going on that side of the lake that is close by many, many Native communities in this province, and it involves the investment of \$1.7 billion in a major construction project, I would think that there will be plenty of opportunities for employment, for working, for construction work, for all sorts of economic opportunities for the Natives to access in that area.

I might say, Mr. Speaker, that we too have continued to work to try and negotiate that other transmission line specifically to communities including the home community of the Member for Rupertsland (Mr. Harper). That continues to be a very high priority with us.

We have had a successful agreement consummated with the Province of Ontario. We hope to have another successful agreement with the federal Government to construct that transmission facility to serve seven communities in that northeast part of Manitoba, many of which are very familiar to the Member for Rupertsland.

### Treaty Land Claims

**Mr. Elijah Harper (Rupertsland):** Mr. Speaker, I have a final new question for the Premier. Since this project will affect the Indian lands, Indian lands that are still outstanding, many of the communities where this bipole project will be built are Indian lands that are outstanding—Oxford House, Gods Narrows, Gods River, Red Sucker Lake, Garden Hill, Wasagamack and St. Theresa—treaty line entitlements which are still outstanding. Is this Government prepared to settle those land issues which are outstanding for many years before the construction of the Bi-pole Three?

**Hon. Gary Filmon (Premier):** Mr. Speaker, again, when we came to office we were told by Native people throughout the North that they had major outstanding disputes and disagreements with the former NDP Government -(interjection)-

**Mr. Speaker:** Order, please. Order. The Honourable First Minister.

**Mr. Filmon:** —not the least of which was the Northern Flood Agreement.

They were very, very bitter at the treatment they had received at the hands of their New Democratic representatives, many of whom they had elected in their areas. As a result, since we have been in Government we have advanced \$10 million of compensation that was being denied to them by the former New Democratic Government on the Northern Flood Agreement. They were very bitter, and understandably so, at the ill treatment they received from their own representatives in the NDP Government.

They were very upset at the fact that they had not been able to make progress on settlement of land claims. We indicated to them that we would continue to work with them with a view to settling those land claims, Mr. Speaker. We have been having some good meetings and I believe making some good progress and showing good faith.

In whatever we do, the Native people, their rights and their holdings will be very much considered as part of the process so that they are taken into account very seriously.- (interjection)-

**Mr. Speaker:** Order, please.

### Conawapa Project Environmental Hearings

**Mr. Harold Taylor (Wolseley):** Mr. Speaker, the Minister of Natural Resources (Mr. Enns) on November 8 of this year said we did not have to worry about an EIS for Conawapa. The Minister of Environment (Mr. Cummings) this week stated that he will not support intervenor funding for any groups and that northern Natives are solely the responsibility of the federal Government. This was followed by comments from the Premier that Conawapa is just one more in a series of dams and an EIS is no big deal, in effect.

Mr. Speaker, my question is to the Minister of the Environment (Mr. Cummings). Will the Minister pledge—

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**An Honourable Member:** Mr. Speaker, on a point of order.

**Mr. Speaker:** Order, please. The Honourable First Minister, on a point of order.

**Hon. Gary Filmon (Premier):** Mr. Speaker, we cannot tolerate the Member for Wolseley (Mr. Taylor) deliberately putting false information on the record. I have never said that an EIS for Conawapa is no big deal, and he had better withdraw that.- (interjection)-

**Mr. Speaker:** Order, please. The Honourable First Minister does not have a point of order.

The Honourable Member for Wolseley kindly put your question now, please.- (interjection)- Order, please.

**Mr. Taylor:** Mr. Speaker, on the point of order—

**Mr. Speaker:** Order, please. There was no point of order, it was a dispute over the facts.

### POINT OF ORDER

**Mr. Speaker:** The Honourable Member for Thompson, on a new point of order.

**Mr. Steve Ashton (Second Opposition House Leader):** Mr. Speaker, the First Minister (Mr. Filmon) may have some concerns about the statement by the Member for Wolseley (Mr. Taylor), but the First Minister should not impute that any Member has deliberately put misinformation on the record, which is what the First Minister said. So if anybody should withdraw any comments it should be the comments of the First Minister, on the point of order, which were unparliamentary.- (interjection)-

**Mr. Speaker:** Order, please. On the point of order for the Member for Thompson, the Chair will review the Hansard tapes.

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**Mr. Speaker:** The Honourable Member for Wolseley, kindly put his question, please.

**Mr. Harold Taylor (Wolseley):** Mr. Speaker, my comments were referring to the Minister's earlier answer this afternoon and comments he made from his seat yesterday afternoon.

\* (1410)

This question is to the Minister of Environment (Mr. Cummings). Will the Minister pledge that a comprehensive EIS, complete with public hearings, will be held before any further work is conducted by Manitoba Hydro? Will he also explain how that EIS is to be conducted with the full involvement of all northern people, be they status or non-status Indians, Metis, or non-Native people?

**Hon. Glen Cummings (Minister of Environment):** Well, as I said yesterday, and I have said many times in this House, the environmental hearing process is structured so that everyone can feel comfortable appearing before that process. Also it should be clearly understood there has already been a considerable amount of work done by Hydro towards preparing for an environmental impact assessment of this project. It should also be clearly pointed out that no major undertakings of this nature can be done without environmental impact studies being done as opposed to what has happened under other examples in this province when the projects went ahead without these types of studies.

### River Diversions

**Mr. Harold Taylor (Wolseley):** Mr. Speaker, the issue is not access the process, but capability to deal with it. Mr. Speaker, my question is, can this Minister assure the House that his Government is in no way contemplating a repeat of the fiasco of the Churchill River diversion through the diversion of the Seal and Hayes Rivers so as to supplement the Nelson River dams?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, in an obvious attempt by the Opposition to try and turn what is one of the single finest days for the people of Manitoba into some sort of a fiasco that he is trying to build about some future projects, I suggest that he concentrate his questions on this project, one of the single most important projects for Manitoba Hydro, one which we have pledged ourselves to very sound Public Utilities and Clean Environment Commission process, that he concentrate on that and not try to raise spectres of something that might happen at some mythical future date.

### Conawapa Project River Diversions

**Mr. Harold Taylor (Wolseley):** Mr. Speaker, more oversized dams can tragically beget more river diversions. My question is, will the Minister now state

his Government's policy about further river diversions, given that the generating capacity of Long Spruce, Kettle Rapids and Limestone dams is already significantly overbuilt and available for more water if it is made available through interbase and diversions such as the Seal and Hayes Rivers?

**Hon. Gary Filmon (Premier):** Mr. Speaker, to my knowledge, Manitoba Hydro has no plans to deal with any further river diversions. They have a very concrete and very well developed plan to continue to develop the capacity remaining on both the Burntwood River and the Lower Nelson River, capacity that is well established and well studied in terms of its opportunities for further dam development in the future. Each one of those has been laid out in a long-term plan for Manitoba Hydro and does not involve the future diversion of other rivers into the system.

Mr. Speaker, under those circumstances, anything that he refers to would be, I think in the terms of the Member for Ste. Rose du Lac (Mr. Cummings), a mythical consideration for some long-term future time, a time in the future when neither that Member nor anybody else in this House is likely to be around, when somebody might consider, if they got to that point.

The development plans between now and the year 2020 that are available for Manitoba Hydro have nothing to do with further river diversions.

### Firearms Control Photo Licences

**Mr. Paul Edwards (St. James):** Mr. Speaker, my question is for the Minister of Justice (Mr. McCrae). As has been noted earlier today, all Canadians are shocked and deeply saddened by the senseless murders of 14 women in Montreal yesterday and the wounding of 13 more students at the University of Montreal.

Mr. Speaker, as is being discussed in fact today in Quebec itself, we must commit ourselves to effective gun control in this country. Massacres like the one yesterday and indeed the one in this province a few short months ago may still occur, but we as legislators have a duty to try to minimize the chance that it will ever happen again.

Can the Minister indicate what recent progress has been made in getting the federal Government to put photos on firearm certificates so that retailers know the person who gets the gun is indeed the person who qualified for the certificate?

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, there has been discussion at the federal and provincial level relating to the matter the Honourable Member raises. Certainly at the federal and provincial meeting in Charlottetown in June, and shortly after my return from that meeting, we had the tragic and horrific occurrence with respect to the Reid family in St. Boniface, which resulted in further correspondence between myself and the federal Minister of Justice relating to gun control.

With respect to the specific question raised about photos on firearms, I will review my file and inform the Honourable Member.

## Firearms Legislation Enforcement

**Mr. Paul Edwards (St. James):** Again, for the Minister of Justice. Coincidentally, the chief provincial firearms officers from across Canada are meeting this very day at their annual meeting in Ottawa. Has the Minister, through our chief provincial firearms officer, Mr. Duncan, been assured by the federal Minister of Justice that effective enforcement of the firearm legislation already in place will be addressed imminently by the federal Government?

**Hon. James McCrae (Minister of Justice and Attorney General):** The issue, as the Honourable Member stated in his questions, is being discussed, and when the firearms enforcement officer returns I will ask him for a report on his discussions.

## Firearms Control Child and Family Services

**Mr. Paul Edwards (St. James):** Finally, for the Minister of Family Services (Mrs. Oleson), on June 13 of this year the Minister took on notice the following question posed by the Leader of the Opposition. Can the Minister tell us today what procedures are in place to assist family service workers in the detection and the reporting of firearms and other dangerous weapons in homes where violence is evidenced? Can the Minister today answer that question?

**Hon. Charlotte Oleson (Minister of Family Services):** Mr. Speaker, yes, I undertook to discuss the matter with the Leader of the Opposition after that, and I possibly did not bring it to the House, but I did discuss it with her.

One of the problems that would occur with Family Services workers going into a home—we would certainly want to protect the safety of those workers as well. So we would not want to have the social worker getting involved in actual seizing of guns or anything like that. In many, many cases the social workers, if they are aware that there is a potential problem of that nature, certainly take the police with them when they go to a home.

## Minister of Energy and Mines Ontario Hydro Agreement Signing

**Mr. Gary Doer (Leader of the Second Opposition):** A positive announcement today is being tarnished with the announcement that the Limestone aboriginal partnership, an organization that is made up of the MKO, the Metis organizations, the Northern Assembly of Chiefs and aboriginal womens' groups, has withdrawn their partnership from the provincial Government, Mr. Speaker.

My question to the Premier is this. He has got a Minister that he has assigned major responsibility for implementing this project, that has been called by Roger Matas a Legislative Analyst—the Minister has no directions for the Seniors Directorate and no ability to

develop any of his own. He has been referred to as a Minister that prefers to be on a warm beach rather than carrying out his responsibilities and workload. Today we have had a major component of the success of the future development of Limestone fumbled—

**Mr. Speaker:** Order, please. Question, please.

**Mr. Doer:** My question to the Premier is this: why did he assign the Minister responsible for Energy and Mines (Mr. Neufeld) to this major responsibility and why was the Minister responsible for a \$15 billion project missing today from the announcement that was made this morning at the Legislative Building?

**Hon. Gary Filmon (Premier):** Mr. Speaker, the Member for Concordia has asked a question which deserves an answer. The Minister of Energy and Mines is away with my concurrence on a short leave for health reasons. That was planned with me last weekend because of certain circumstances that I am not prepared to discuss with the Member, and regrettably his health would not permit him to be here this week. I am sorry if the Member for Concordia (Mr. Doer) wants to make an issue of it.

\* (1420)

**Mr. Doer:** We have received all kinds of information for the last couple of weeks that he was going away on vacation today, but I hope that the Minister is well. We would wish him well on his health.

## Competence

**Mr. Gary Doer (Leader of the Second Opposition):** My question is to the Premier on the competence of the Minister. It has been well recognized in this Chamber and outside in the public of Manitoba that the Minister, although a very nice person, is not one well equipped to deal with heavy responsibilities of Cabinet. Mr. Speaker, the First Minister himself has taken away the Seniors Directorate and reassigned it. I would ask the Premier, does he truly believe that the Minister he has announced today responsible is able to carry on all the components and responsibilities of this \$15 billion project so that all Manitobans, including Native Manitobans, will benefit in the most positive way?

**Hon. Gary Filmon (Premier):** Mr. Speaker, the Member for Concordia (Mr. Doer) wants to imply that one person singlehandedly, sitting in a Minister's office, is going to drive all aspects of this project. That is so far from the truth that it is hard to believe that Member sat in Cabinet himself, because major decisions take place on a co-ordinated basis across many, many disciplines in Government. Within the Conawapa development there will be a very strong role to be played by the Minister of Northern Affairs (Mr. Downey); there will be a very strong role to be played by the Minister of Industry, Trade and Tourism (Mr. Ernst); there will be a very strong role to be played by the Minister of Environment (Mr. Cummings); there will be a very strong role to be played by the Minister of Labour (Mrs. Hammond); of Education and Training (Mr. Derkach).



All of these elements will go into putting together a co-ordinated project that respects the environment, involves the investment of major, major money in job creation, economic development, provides for training for Northerners and Natives, and provides for community development, and on and on, Mr. Speaker. I will answer the rest of the—

**Mr. Speaker:** Order, please. The Honourable Member for Concordia, with his final supplementary question.

**Mr. Doer:** Mr. Speaker, and the strongest role of all has been assigned to the Minister responsible for Energy and Mines (Mr. Neufeld), a person who has bungled the Seniors Directorate, bungled the Lynn Lake mine, bungled a number of other major activities, and has said there is no correlation between health and age in this House. You have assigned that individual to a \$15 billion project. Are you not overloading an individual with major responsibilities which will have negative consequences for the citizens of Manitoba, particularly northern citizens of Manitoba?

**Mr. Filmon:** Mr. Speaker, we are talking about an individual who is among the most capable people sitting in this Legislative Chamber, who has knowledge, understanding and experience in finance, in economic development that exceeds that of all of the Members combined in the New Democratic Caucus in this Chamber. His abilities, his understanding, his talent exceed those of all those NDP Members combined when it comes to finance and when it comes to a major project such as this.

Mr. Speaker, I just want to say that with respect to the announcement made today by the Limestone Aboriginal Partnership Directorate Board, their quote in their very first sentence of their press release I think establishes what I said in my first response to the Member for Churchill (Mr. Cowan), quote: The Limestone Aboriginal Partnership Directorate Board has decided to dissolve in frustration due to the reluctance of successive Governments to provide the necessary resources to carry out meaningful consultation with the board—

**Mr. Speaker:** Order, please; order, please.

### Suicide Rates Correctional Institutions

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, yesterday the Honourable - (interjection)-

**Mr. Speaker:** Order, please. The Honourable Minister of Justice has the floor.

**Mr. McCrae:** Mr. Speaker, yesterday the Honourable Member for St. James (Mr. Edwards) raised some questions respecting suicides and about a report made by the Chief Medical Examiner for Manitoba, a report he called the annual report. The questions related to the availability of rescue knives in our penal institutions, about training in cardiopulmonary resuscitation, about

a standardized manner for the observance of inmates, and respecting how inmates are observed as they near their release dates.

Mr. Speaker, all of the questions asked by the Honourable Member relate to recommendations made by an inquest back in 1987.

It should be pointed out there have been no suicides in our penal institutions since 1987 and that all of the recommendations which were made were implemented prior to the release of the report the Honourable Member was referring to. That report was not an annual report, as the Honourable Member implied; the Annual Report of the Chief Medical Examiner was tabled several months ago in this House. The report he was referring to was an annual review for 1987. There is nothing sinister about the report coming out when it does; that is when it usually comes out.

The point is that the Honourable Member—it really should be taken note, the fact that the Honourable Member never seems to do his homework when he comes into - (interjection)- this House.

**Mr. Speaker:** Order, please. Order.

### Speech Pathologists Student Assistance

**Mrs. Iva Yeo (Sturgeon Creek):** Another example of this lip-service Government is demonstrated by the lack of assistance to students attending university to study speech pathology. No courses are available in our own province, Mr. Speaker, yet over and over we hear of the severe shortage of speech pathologists for preschool children, for school age children, and for our seniors.

In response to a question on November 20, the Minister of Education (Mr. Derkach) said that earlier this year the First Minister (Mr. Filmon) signed an agreement with Minnesota whereby students from Manitoba would be able to access the universities in Minnesota.

My question to the Minister of Education (Mr. Derkach) is this: why then are students being denied monetary assistance for speech pathology programs in northern universities in the United States?

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Speaker, I have to indicate that, first of all, the Member here was asking why we do not have speech pathology programs in Manitoba.

I guess if we had unlimited resources we could do all of those things, but because we have agreements with other provinces and jurisdictions in the United States, we are able to share resources, which is a more sensible way to go. That has not just started in the last six months or so; that has been ongoing for some time. Students attending those universities are given every opportunity to be able to attend those universities, and where assistance is required, I am certainly able to look at those requests.

**Mrs. Yeo:** Mr. Speaker, why are students being told, and I quote from a letter I received, that a similar

program is available in Canada, as a means of deterring interested Manitobans from accessing the universities that are south of the border, institutions that are much closer to home than the universities in eastern Ontario?

**Mr. Derkach:** Mr. Speaker, the Member has not brought this specific incident to my attention at this point in time. However, I have to tell you in a general sense that if we as Manitobans are able to provide those programs in this province, then we feel that it is a priority of ours to assist those students who are coming to the institutions within our province, rather than assisting those students who may wish to attend another university elsewhere that offers similar programs.

**Mrs. Yeo:** I wish the Minister would read his mail, Mr. Speaker. The Minister referred on November 20 to a fairly significant marketing program to assure that we can attract every possible individual in this province. Will the Minister review the policy on student aid to ensure that this policy is more closely aligned to that statement, to help students when they go to university to return to Manitoba?

**Mr. Derkach:** Mr. Speaker, I just might indicate by example. When we are in a position to interview students from the United States who are taking speech pathology, for example, we indeed send several of our staff over there to ensure that we can make available to them the kinds of job opportunities that are available in this province. We indeed do a fairly active campaign in trying to attract as many students or as many candidates to this province as we possibly can. I think the department over the last number of years has done a fairly good job in attracting high quality people. We will continue to do that in the future.

### Mentally Handicapped Programs Granting Formula

**Mr. Speaker:** The Honourable Member for The Pas has time for one short question.

**Mr. Harry Harapiak (The Pas):** Mr. Speaker, my question is for the Minister of Family Services (Mrs. Oleson). I think most Manitobans agreed with the Welcome Home Program which was instituted in the early '80s. They recognized that the community was a place for the mentally handicapped people to be where they can grow and develop under the care and support of their family, the community and the volunteers. Thousands of the mentally handicapped adults in this province rely on the day programs to develop skills and confidence and become productive members of a community.

\* (1430)

Can the Minister tell the House whether her department will be proceeding with a new administrative grant formula for mentally handicapped programs in 1990 and whether the formula will be based solely upon the size of the agency, and whether that formula will result in sharp funding cuts for organizations, and what consultations she undertook prior to putting this—

**Mr. Speaker:** Order, please. The Honourable Member has posed his question. The Honourable Minister of Family Services.

**Hon. Charlotte Oleson (Minister of Family Services):** I did put in a new funding formula this year, to take effect this year, for these organizations that the Member speaks of, and perhaps we could have a full discussion on it in Estimates, because it is rather complicated. No agency will lose funding this year as a result of that, but some of them may in the future have less. It goes with the size of the agency, how many per diems are being paid, and it is on a formula basis.

**Mr. Speaker:** The time for Oral Questions has expired.

### ORDERS OF THE DAY

**Hon. James McCrae (Government House Leader):** Mr. Speaker, I move, seconded by the Honourable Minister of Northern Affairs (Mr. Downey), that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty. In the Chamber is the Department of the Environment; in Room 255, the Department of Housing.

Following Environment would be Northern Affairs, and following Housing would be Energy.

### HOUSE BUSINESS

**Mr. Steve Ashton (Second Opposition House Leader):** Mr. Speaker, yesterday we went into second reading in committee on a number of Bills, and in the Opposition we have requested adequate time to deal with them, particularly given the fact that a number of Ministers that we had questions of were not present yesterday. I am wondering why the Government House Leader (Mr. McCrae) has decided not to proceed into the committee today. We recognize the Minister of Finance (Mr. Manness) is not here, but we are anxious to ask questions of other Ministers in committee stage and second reading on various finance Bills as part of our general hope to be able to pass those Bills by the end of the week. Unless that takes place, we are concerned there will not be adequate time to deal with these questions tomorrow.

Pointing out once again, Mr. Speaker, the Ministers were not present yesterday—a number of Ministers—so I would like to ask the Government House Leader how he intends to schedule the affairs of the House to ensure adequate consideration of those four Bills which are currently in second reading in the Committee of the Whole.

**Hon. James McCrae (Government House Leader):** Mr. Speaker, I appreciate the question put by the Honourable Member and I note that the Honourable Opposition House Leader (Mr. Alcock) has been passing notes back and forth today relating to the Business of the House, but I point out to -(interjection)- The Honourable Member for Springfield (Mr. Roch) asks if there is anything wrong with that. The answer is an emphatic no. There is absolutely nothing wrong with

that. That is what House Leaders are supposed to do, and that is what they do on a daily basis. I wonder what the point is that the Honourable Member for Springfield is trying to make with his question.

**Mr. Speaker:** The Honourable Member for Springfield, on House Business.

**Mr. Gilles Roch (Springfield):** Mr. Speaker, his tone of voice indicated—

**Mr. Speaker:** Order, please.

**Mr. Roch:** He asked me a question. I am trying to respond.

**Mr. Speaker:** Order, please. The time for Oral Questions has expired.

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please. The Honourable Government House Leader, on House Business.

**Mr. McCrae:** On the point raised by the Honourable Member for Thompson (Mr. Ashton), who wants to do the House Business apparently on the floor of the House in open Session, I remind him that Bill 34 was introduced for second reading in this House on the 13th of October. I remind him and the Honourable Opposition House Leader (Mr. Alcock) that Bill 27 was introduced for second reading in this House on June 16 of this year. I remind them that Bill 53 was introduced on October 11; and that Bill 86, The Statute Law Amendment Taxation Act, was introduced on November 24. If the Honourable Member wants to make something of that, Mr. Speaker, that is The Statute Law Amendment Act for Taxation on November 24.

I must say that plans for the House are made in consultation with House Leaders, and more and more frequently with House Leaders who seem to want to do business in open Session. More and more frequently I am asked for changes to the plans to be made at the last minute. Well, when that is done, you throw one side or the other off, you throw your own colleagues off. Those kinds of requests do come and I do, politely as I can, decline such requests out of respect for all of the Members of the House. So that, I hope, will suffice for an answer for today. The Honourable Members, both of them, received correspondence from me a couple of weeks ago respecting the wish of the Minister of Finance (Mr. Manness) and the Government to deal with these Bills. I suggest, Sir, that there has been adequate time. If they do not want to pass the Bills on Friday, I guess that is their business. That has been our request and I thought that was the understanding we had.

**Mr. Speaker:** The Honourable Member for Thompson, on House Business.

**Mr. Ashton:** Mr. Speaker, I think I missed the answer to my question in that I made representations to the House Leader previously, privately. The House Leader

chose not to go ahead with it. I was asking essentially if the House Leader perhaps changed his mind.

We are trying to be co-operative in this situation. All we are asking is for sufficient time to deal with those Bills. We are trying to do what is in the best interest of the province and pass these important Finance Bills. That is why I was wondering if he would not perhaps reconsider and whether he would indicate if he is not going to call those Bills today in Committee of the Whole, when he expects to have sufficient time to deal it, those important Bills.

**Mr. Speaker:** Order, please. I can see where there is no room in our Routine Proceedings for House Business, as we are attempting to do here at the moment.

I would strongly recommend that the three House Leaders sit aside in one of the loges and discuss the way this House is going to operate today.

## INTRODUCTION OF GUESTS

**Mr. Speaker:** Now, before putting the question to the House, I would like to draw Honourable Members' attention to the loge to my right where we have with us this afternoon Mr. Dave Blake, the former Member for Minnedosa.

On behalf of all Honourable Members, I welcome you here this afternoon.

It has been moved by the Honourable Government House Leader (Mr. McCrae), seconded by the Honourable Minister of Northern and Native Affairs (Mr. Downey), that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to her Majesty.

## MATTER OF GRIEVANCE

**Mr. Bob Rose (St. Vital):** Mr. Speaker, I rise on a matter of grievance.- (inaudible)- I appreciate the opportunity today to refute some allegations and what have you on the part of some Ministers of the Government who had indicated that this Member from St. Vital does not co-operate in any way or manner so that we do not have, as the Minister of Health (Mr. Orchard), would say, use a more co-operative manner rather than confrontational.

Mr. Speaker, I think that many Ministers of the Government will agree that I, since I have been a Member of this House, have co-operated with them on matters rather than bring them to the House. I think that the Minister in charge of Workers Compensation (Mr. Connery), indeed of Labour (Mrs. Hammond), Training (Derkach), Health (Mr. Orchard), Urban Affairs (Mr. Ducharme), Rural Development (Mr. Penner), Natural Resources (Mr. Enns), and particularly perhaps the Minister of Native and Northern Affairs (Mr. Downey) will recall incidents that I brought across and had resolved without any politics or confrontation attached to them.

When it is pointed out by certain Ministers in a derogatory way in this House that I do not co-operate

and that I bring, as one Minister said, "ridiculous points like that to this House involving people in distress," I take exception to that, Mr. Speaker, and I resent same.

I think that I take pleasure of one of the rewards of being in public service—and I have only been in it six years—is not that you are looking at media or public attention, not the power or prestige but the real joy comes when you are able to help people. That is the essence, I believe, of being an MLA.

I say to you, Mr. Speaker, and to the Government, if a person cannot come to their Member of their Legislature, that Member of the Legislature cannot come to this House, to help a person in distress in this province, and wherein—

**Mr. Speaker:** Order, please. We are having some difficulty with this one bank on Hansard. Would the House be agreeable to allowing the Honourable Member for St. Vital (Mr. Rose) to move down to the bench of the Honourable Member for Sturgeon Creek (Mrs. Yeo)? Is that agreeable? Agreed, and carry on with his remarks. The Honourable Member for St. Vital.—(interjection)— Order, please.

**Mr. Rose:** Thanks again, Mr. Speaker. I want to say if a person in Manitoba in distress or with other problems cannot come to their MLA and that MLA therefore comes to this Legislature and gets that resolved, which we have done in many, many cases, then where in heaven's name can they come?

For instance, points of discussion is that I have items the Minister of Economic Security—she wonders why I come into the House with matters. We have matters of people in distress. I brought up items way back in August of Mr. Norman Peters, Mr. Bill Dmitrik way back in September. We brought these matters up not only to the Minister but to her special advisor, her special assistant as they call them, and we meet them at time to time. They have got a letter in the mail, or they are just going to call you, or they are going to meet you on Monday morning and tell you what the resolve of that matter is or what they are going to do, and what do you do, you never hear from them.

\* (1440)

A particular point that I take exception to is the case of the Sais family. That was the one where the little child had lost the tips of her fingers, and the Government department callously gouged the money back from them, or intended to gouge the money back from the child, who needed that when she reached the age of majority which was the court decision.

(Mr. William Chornopyski, Deputy Speaker, in the Chair)

I thought that was a matter that a caring Government could handle without coming to the House, and so therefore, Mr. Deputy Speaker, I did bring it to the Minister's attention, I think it was on October 18. It was an appeal, it was a last chance to get something done and I had stated that in my correspondence of the 18th to the Minister.

What do I get? I would get a reply after the appeal date, a letter from the Minister's department, not from

the Minister directly, saying that they had received my letter. That is great. It just goes across the building. Seven days later they received it and they would bring it to the Minister's attention. That is the importance they put on items like that. They could have said they would bring it to the Minister's attention and in brackets could have put "some day." You know, that is about the importance they put on it.

So what did I do? I came into this House on September 13 with the item, and at that time I think certainly all Members of this House, perhaps with the exception of the Minister, realized the gravity of the situation and the injustice caused to a Manitoban family. What did we do? The very next day we read in the newspaper that there had been a resolve of it. No communication with me, no communication with my Party, no reply to my letter—you read it in the newspaper. This is the kind of co-operation our Minister wants. That is what she expects.

Well, Mr. Deputy Speaker, just a few days later, I brought another matter to the House about a family who had gone without food or housing allowance even though they had applied for social assistance six weeks before. Their department used every objection in the world almost to deny them their rightful benefits under the Canada Assistance Plan. This Minister at that time said, "Why do you bring these ridiculous points like that to this House?" Ridiculous that some family of five have gone without food and housing allowance for six weeks.—(interjection)—

The Minister warbles from her seat that she called me ridiculous. You know, before that I was referring to the instance. I think that, Mr. Deputy Speaker, that might even, as the Minister just warbled that she was calling me ridiculous, have been even more unparliamentary, and I think I would have taken a lot more exception to that.

That is the attitude of this Minister. That is the attitude that she is known for throughout this province, the attitude she takes in attending meetings and listens to people's concerns. Her department and this Minister are very conspicuous by their absence at meetings where people gather to help the working poor and those people on social assistance.

The vigil the other day, there was not one person in their department—given up, although there were bishops and archbishops, seven denominations of churches gathered to protest and do something to help the working poor and those people on social allowance with housing.

I want to point out, Mr. Deputy Speaker, that this incident of Melissa Campbell came after this Minister said that we should not be bringing these matters into the House and that I should bring them personally, although there was still this unattended item on her desk, the other two items that I have mentioned, plus a letter, that same thing came exactly the same day. A letter I had written on the 21st, came from the Minister the same sort of stereotype letter, you know; some day we will have a look at this, but it has been received and hallelujah, thank God it did not go by the post office. Now it is December 7, 21st to the 7th, these

are matters of urgency to Manitobans, and I do not think that the Minister is so busy that her department cannot look after it, still no resolve to it.

It is by coincidence today that the Member for St. James (Mr. Edwards), Mr. Deputy Speaker, brought up the matter of an item that the Minister had not replied to. I do not recall the date but that is not the only one. I know that there is no obligation on the part of the Government to answer questions, but I would think when somebody on this side of the House, in the Opposition rose to bring out some concern or information they needed and the Minister indeed would say, I will take that as notice and get back with the information to the Member, that that would be done.

What we have here, Mr. Deputy Speaker, is we have four items still, going back two and a half months that this Minister does not see fit to answer as of today. She does not have to, I guess, but she did give a commitment. Why did she not rise at her place on those particular dates and say the information was not forthcoming or just refuse to answer? Instead she said she will bring that information back, and she has not, but then coincidentally today, in answer to the question, she got up and said something like, the next day I spoke to the Leader of the Opposition (Mrs. Carstairs).

**An Honourable Member:** I did.

**Mr. Rose:** That is absolutely incorrect, and if she did speak to the Leader of the Opposition and she gave the type of convoluted answer she gave today in the House, it would not mean anything anyway.

I can assure you, Mr. Deputy Speaker, that I have talked to my Leader and that is completely false. She is flabbergasted that this Minister of economic security should bring such an answer to this House when indeed she knows that it is misleading and not accurate.

Mr. Deputy Speaker, some few months ago an item was brought to my attention about a very serious miscarriage of justice in this province. I examined it somewhat and I was convinced that there indeed had been wrong delivery of justice on this person, even though it dated back 13 years ago. That does not deter me at all; I do not care how old a miscarriage of justice is, I will still carry the ball for any Manitoban.

I completely concurred with the Minister, this is an item to deal with Autopac. We met several times. I was really pleased at certain stages, of the co-operation that we were getting. There was politics attached to the item; there were some damning things to the Government in the way that they handled the thing. I was not prepared to play politics with the matter because I thought that more importantly the matter be resolved for that citizen whose life had been in anguish for 13 years because he had been wrongfully accused of something that he had no power at all to have avoided.

I want to just, Mr. Deputy Speaker, put on the record, and the reason I want to put this on the record is that it seems to me that at some point late in the game the Minister responsible for the Manitoba Public Insurance Corporation became a slave to the bureaucracy in

Autopac and did the same thing, fell into the same trap that they did, of just cover up. This is just another Manitoban who perhaps drives a truck, and it is 13 years old, and who really cares? He can go to his grave in anguish and his family can be in that anguish. This is not an isolated case.

They say you should not bring a particular case—this is not an isolated case in Manitoba, and they well know that it is not. If we do not bring these to the public attention, then those other people who have suffered an injustice in this province will never believe and never know that there is an avenue for redress.

When phone calls come to this Government with people in distress, they say things, and I can document this. Everything you hear today can be documented. They say, well, hire a lawyer, that is the way to go, or else, in one particular case what they did with the Government department, they said, we will get back to you. This was the Minister's department, Autopac. They said, we will get back to you. Instead of getting back to him, they phoned his lawyer to see if the man was violent. When they were assured that he was not violent, that was the end of the case. They did not care.

The same day this individual whom I am talking about here phoned the Attorney General, and both Ministers have admitted now that there were phone calls to their office, and that can be documented. The Minister of Justice (Mr. McCrae) received a phone call—it apparently lasted about 30 minutes, the same person. It could have been resolved right there months ago by the Government. They had an opportunity, but they had to come to the Opposition. The Liberal Party in Manitoba, those with a social conscience, those with a caring for people, that is who people are realizing they must come to for all matters like this—

\* (1450)

**An Honourable Member:** Especially when you are handing out cards downtown.

**Mr. Rose:** I am sorry, the Minister of economic security would like to put a remark on the record which she—having what downtown?

**An Honourable Member:** Cards. Handing out your cards in the welfare office.

**An Honourable Member:** She says you are making yourself too available, Bob. You should not be talking to people.

**An Honourable Member:** You are not supposed to talk to Government bureaucrats.

**Mr. Rose:** Mr. Deputy Speaker, I am just appalled at a remark like that, that I am handing out my cards at a welfare office. You know full well that I do not. If I did, I would not see that there would be that much wrong with it if we could be of service to the people either in that department or elsewhere. I categorically deny ever having handed out a card at a welfare office.

I have been in welfare offices to help people. I have talked with the people. I have phoned them on dozens of occasions and gradually, gradually we are getting an area of co-operation.

I only come to this Minister when the bureaucracy cannot proceed any further in resolving something, because it needs a decision by, like the cases I have just cited, the three of them, they need the discretion of the Minister because the writing of the Act can be interpreted a couple of ways, or if they need some direction from the Minister's department. What we see here is just the tip of the iceberg.

I get items, maybe not as serious as these, but every day, come to my home or to my office here, or in letters. Most of them we are able to resolve just like we are able to resolve workers compensation items or other items including UIC or social assistance, whatever. It is only the ones that get bogged down that we come here.

I did want to review some of the facts. I want to put it in the perspective that this could happen to anybody in this Chamber or anyone of your family, that this injustice could happen and I think that is important that we protect it. There will be innocent people charged and put in jail and all the rest of it. We want to make sure that every safeguard is put in place that sort of thing will not happen. In this country there is still an understanding that you are innocent until proven guilty in a court of law with a preponderance of evidence. This is not always the case.

On July 8, 1976, this 26-year-old driver of a semi-trailer was taking a load of mail up to Grand Rapids. It was a nice July night, a little shower had occurred around Moosehorn when he arrived there. It is 100 miles from here.

Just previous to that he had stopped at Ashern for a cup of coffee, and ironically the girl asked him if he wanted a second cup of coffee. He said, "No, I do not have time," and she said, "Well, come on. Certainly it will not kill you, another cup of coffee." Well, it almost did. In fact, if he had had another cup of coffee he would not have been in the accident, or if he had stayed five seconds later—that is what fate is all about. About nine miles out of Ashern this gentleman entered a curve in the road that skirts the old elevator at Moosehorn. Those that have been on that highway know that there have been several serious and fatal accidents on the highway. This is an extremely deceptive curve; it is a wonder that it was ever built like that. At that time when he went in there he noticed another semi-trailer was crossing Highway 6 and he stopped to a dead stop to let it proceed. Shortly thereafter, another semi-trailer passed him going south. Obviously the south lane was clear. I have gone to the trouble, Mr. Deputy Speaker, of three months, and the Minister well knows this, of checking out witnesses, visiting people, and I have found no speck of evidence to the contrary of what I will put on the record here today.

It is regretful that I have to take the time of the House to put this in the record, but from the remarks we have heard during Question Period, the Government just does not seem to want to understand or cannot

understand. Hopefully, by putting this on the record they will now have some compassion and understanding.

I want to say that two qualified witnesses will confirm that this semitrailer did stop, and that it was proceeding at a cautious speed thereafter, and the semitrailer passed in that clear lane. The gentleman regained some speed, and as he was leaving the final curve to the straightaway highway outside Moosehorn, he saw an auto directly in his northbound lane.

Collision and fire subsequently cost the lives of five persons in that automobile. The driver, Podolsky, survived, but certainly not without an abundance of pain and anguish. I have read the RCMP officers' report, and I talked to the RCMP officers, and they have concluded their complete and unequivocal exoneration of the gentleman for any responsibility at all. The report indicates there were no skid marks, there were no brakes applied by either vehicle. William John Ross was 75 years old and was definitely the driver of the automobile, although for six years they tried to prove otherwise, which was an impossible thing. At the time, this 75-year-old man at the wheel was driving from a 14-hour day of fishing and had been on the road another two hours.

An expert RCMP officer on impairment was on the scene, and he says and repeats just last month, there were absolutely no signs of impairment. Police conclude that the two vehicles met head-on squarely well into Podolsky's northbound lane, and I quote from the report, "The southbound Ross vehicle crossed the centre line into the path of the northbound semi."

Pictures taken, and I have them here, clearly show that impact was well into the northbound lane which corroborates the police report. In spite of the thorough RCMP report, MPIC, Manitoba Public Insurance Corporation, the only people we can be insured with certainly at that time in this province, shows instead to take possession and use an illegal, highly confidential statistical report by Transport Canada and use that to assess 75 percent of the responsibility for the accident to Mr. Podolsky. Mr. Podolsky never received any compensation for anguish, lost wages and other damages.

Before this matter ever came into the House, Mr. Deputy Speaker, I must stress again, all these facts were available to the Minister, available for him and his staff to check, and double-check and triple-check, but instead they choose to whitewash the item once more because it was just I guess another Manitoba truck driver, and it was too old to really care about. We got more urgent business, urgent like taking an unmarked blue van into Assiniboia to play a ridiculous game of electioneering when we are at no time near the election.

\* (1500)

But they found time for that, Mr. Deputy Speaker, and they continue to find time for those silly things, but they do not find time to answer phone calls, and do what is best for the people of Manitoba who suffered injustices.

This man only received some minor interim compensation, but he inherited the anguish of being accused—picture yourself, picture your family, picture your friends. You have innocently driven on the road, somebody smashed your vehicle, and you are told that you killed him. Just place yourself in that position.

Podolsky's lawyer indicates the Manitoba Public Insurance Corporation may also have wrongly used another private and biased report in their determination of liability. It is one point we have not been able to check, but the suspicion goes in that direction, that they used not only one report, but two. Oddly enough in this case, Mr. Deputy Speaker, and including in the cover-up, there was no inquest and no charges were ever laid. Obviously I would think the reason for that is that if an inquest had been held which the lawyer for the plaintiff was asked, or if there had been charges laid against him, then the evidence would have come out in a court of law, and the truth would have prevailed. But it was made sure the truth never prevailed, and therefore, it was never before any sort of a judge—I think deliberately. Because if he had that, if he had his day in court, they would have conclusively proven, 10, 11, 12, 13 years ago, that he had no responsibility at all in this accident.

Mr. Deputy Speaker, one of Canada's top accident investigators, who was well aware of the facts because he wrote the Transport Canada report, is amazed at the turn of events, and those are his words—amazed at the turn of events—that Podolsky would be held responsible at all. Several persons were interviewed recently in the Moosehorn district by myself, and some of whom were at the accident site that night, like firemen, nurses, undertakers, doctors, and all—and I do not think I know of a better word to describe it—were flabbergasted at the fact that Podolsky was given the least bit of blame. You would know that in a small town how much discussion and rehashing of such an incident would be, and I think the opinions of those people who are fully in view of the facts that were available, plus the witnesses who were there, to the truck coming by, came to that conclusion.—(interjection)—That mike is working.

**An Honourable Member:** Mr. Deputy Speaker, after that, how much time does he have left?

**Mr. Deputy Speaker:** The Honourable Member has approximately 16 minutes left.

**Mr. Rose:** Mr. Deputy Speaker, somehow this report, obtained by the Manitoba Public Insurance agency, was used as a bluff and those are not my words. Those are the words of the chief investigator. They were used as a bluff on Podolsky and his lawyers, a blackmail—he did not say blackmail, I am saying that now. He says, and this was held over his head and his lawyer's head, so he would be unsuccessful in any lawsuits against MPIC. It almost worked, thanks to the help of the Government on the other side.

This professional accident investigator also said later that MPIC could not possibly make a determination of liability on the basis of the Transport Canada report. If he does not know, who does?

Anyway, having learned about this incident in late August and having investigated fully, I wrote to the Minister about the consequences on September 12. On October 3, I got a reply to my letter from the Minister, and there are some interesting things in there.

The Minister made the same mistakes that Autopac made. He somehow assumed that this confidential, fully sanitized report, somehow referred to Podolsky. I do not know how he could ever come to that conclusion because the report on the front of it does not have any identification of who or where or why the accident was. In fact, the letter accompanying it from the chief of the accident investigation in Ottawa says, "Enclosed please find one copy of an accident investigation report which could be the one concerning your accident." In other words, he almost reached into a grab bag and came out with this. "Please understand that we have no way of being certain that this report covers your accident. All accident investigation reports prepared according to the road safety directorate are sanitized purposely at the time of writing to protect information received about those involved in the accident."

Yet the Minister in his letter says, since the initial RCMP investigation indicated the impact that occurred in Mr. Podolsky's lane of travel, it appeared that the southbound vehicle had been on the wrong side of the road at the time of the impact. Now that is what he says about the RCMP. Now who should be more qualified? But then he says, and this is what Autopac did too, they said a subsequent investigation was carried out by the Road Safety Division of Transport Canada who specialize in accident reconstruction.

The findings of their report indicate that Mr. Podolsky had drifted across the centre of the road and into the southbound lanes at the point where the highway begins to curve to the right. When the driver of the oncoming vehicle realized that he was on a collision course with a semi, he applied his brakes. Mr. Podolsky then veered back to his right on his own side of the road, just as the collision occurred. What a wonderful re-examination and reconstruction of an accident, picked out of the air obviously so that he would be voided of any benefits from the accident.

It goes on further to say in the Minister's letter, if the southbound vehicle had on its own accord wandered across the centre line of the road, then the southbound driver would be held responsible. If they do not, that report which the RCMP said that is refuted, that is nonsense, I guess. However, if Mr. Podolsky, the big if, they do not say that he did, but if he had crossed the centre road thereby creating the emergency situation which the south-bound driver had attempted to avoid, then Mr. Podolsky would have largely been responsible for the accident which he was even though the collision occurred on his side of the road. Now, is that not interesting? You are on your side of the road and somebody hits you and you are responsible.

Following a review of the accident reconstruction report and the completion of examination of discovery—that is another thing, there never was such a thing, but the Minister seems to allude to it. It appeared that Mr. Podolsky had not in fact contributed largely to the accident by letting his vehicle wander to the left prior

to rendering the curve. Now if he had he might have rendered there to avoid a child, a bicycle, a car, another truck, a deer, a rabbit. He has every right to be in that other lane as long as there is not another vehicle in it at the same time.

It was the recommendation in Mr. Podolsky's letter, Mr. So and So, that the liability be assessed 75-25 in favour of the southbound vehicle, that is absolutely a lie as is attributed lately by Mr. Fishman. The various lawyers which have represented Mr. Podolsky have all had full access to the accident information including the examination to discoveries which is absolute false because never did they have access to the report that condemned him and found him guilty of the accident. How can the Minister now say when he already knew about this road report, and he knew that Podolsky did not have it? How could he possibly say he had access which he is entitled to under the law?

There has been no attempt on the part of MPIC to hide any facts or evidence which might influence the question of liability. For 13 years, they hid this report and yet the Minister says nothing was hidden.

\* (1510)

Interesting here that Mr. Podolsky finally found a lawyer that would represent him, and he wrote this back to me. After reading the Minister's report, I then wrote three letters to the Manitoba Public Insurance Corporation and received no response to any of those letters. I was subsequently served with a motion to dismiss Mr. Podolsky's action for delay. Nice thing on your and my agency's part, eh? We tell them that we want documents, so we go to court and they examine that after the third one and go to the court to have the whole thing dismissed—nice reply to a letter. That is the sort of letter that we get from the Minister, so why would we expect anything different from Autopac?

In fact, I consider it grossly improper and unprofessional that my letters were not responded to and that Mr. Podolsky, once having obtained a lawyer to act and proceed with this matter, was met with a motion to dismiss his action for delay. In fact, the motion to dismiss for delay was indicated by my efforts to contact the Manitoba Public Insurance Corporation and proceed with this matter. It goes on to further say that this is heavy handed, and I certainly agree with him. I think the fact that the Minister wrote this letter, where he mistakenly assumes this false and damaging report refers to Ken Podolsky, and on page 6 of Hansard, November 27, he stated in the House unsubstantiated innuendo damaging Mr. Podolsky about a phone call that came to him. I think it is a very serious matter that the Minister would take this action, that he would have connected Mr. Podolsky to a very damaging report without any proof whatsoever that it refers to him. By that action he has libelled him and therefore damaged his reputation even further. A public apology to Mr. Podolsky should be made by that Minister, if he is to maintain any credibility here in this House or indeed in Manitoba.

On the subject of that also, Mr. Deputy Speaker, I would be interested to see the memo that was received

from Autopac to the Minister and see what it contained. We have a letter in the interim from the fellow who made this report and he says it was highly confidential. It was coded and confidential and the source of the information was not revealed. All notebooks and field sketches were destroyed. That is how confidential and that is how classified the documents was. Use of reports outside sources was prohibited until released by Transport Canada. It says that information came from both direct interviews and indirect sources, no system was in place to verify its authenticity and veracity. That is why he later calls the report worthless, the author of the report. A professional engineer might well have secured injury data. A medical doctor could just as easily contributed to engineering information. That is how professional it was; that was just a statistical document.

He goes on to say, and this is the author of the report who is a professional investigator, that one thing is certain, Mr. Podolsky's name never appeared in any of our permanent records. The passing of these reports along for other uses would be surprising to me. That is what he said in an earlier conversation with me too. It was generally understood that these reports would be used to scientific research purposes only and would be sanitized to a degree that use for other purposes would be possible, but yet when this came to the attention of MPIC, they gloated and gleaned. I do not know whether they instituted the movement to them, but when they did they obviously took it to their advantage to deny one of our citizens the rights that he has under the only insurance company we can insure ourselves and our automobiles in this province while driving.

It goes on to further say these so-called multidisciplinary accident reports were in no way intended to lend support to any law enforcement agency. It is my understanding that Mr. Podolsky is totally absolved of any blame by the police force, charged with the responsibility of investigating this crash. Surely, this ought to be the final word in any settlement. This is a known professional in Canada. The police report, I have already alluded to it, say that the two vehicles met head-on squarely in Podolsky's lane. The Ross vehicle was on the wrong side of the road completely and no way was he impaired by alcohol or drugs. He says, I have 30 years of service, this letter was written March 8, 1989, Mr. Deputy Speaker. I have 30 years of experience with the RCMP and became a breathalyzer operator in 1969. I have a great deal of experience relating to all toxic and chemical abuse by people that I encounter over the year.

He goes further on to say that he is so convinced and so appalled that this would happen, that Mr. Podolsky says, please, keep me advised as to whether or not I will be needed to testify. That RCMP officer was even honest to me. I asked him, is there a chance that you missed skid marks. He said yes, it was raining and it could be missed. So I talked to the other—that was in Edmonton—I talked to the other RCMP officer who was in Killarney—Kuebler. I asked him the same question and he said, no, the road was wet the night before, but I purposely walked three or 400 feet down the highway to the north to see if there was any skid



marks, there were none. That is how thoroughly he went in to it.

I repeat, the investigator said and these are his words, it was illegally used to bluff Podolsky and held over his head of him as lawyers. He says in his quote to me, these adjusters are known in Manitoba to be brutal and we found many, many cases of this. He said, it is absolutely incredible that they could blame responsibility based on this information. He, himself, who you would think would be on the other side, said you would be absolutely amazed by the turn of events and I repeat that he was completely exonerated by the police and they would be the ones to testify in court.

Again he comes and he says, listen, this is incredible this should happen in Manitoba. Please keep me posted and whatever I can do to help. I talked to the other policemen and he said yes, one of the RCMP officers whose family was killed in the accident did come and asked lots of questions the next morning, interfered in the accident report. He did not want to believe that his dad was dead. He says, this evidence was stacked. He said this RCMP officer talked him, he says the evidence was stacked against Podolsky.

In 30 years in the force, he said this is one item that never did settle with him that this injustice was done. In fact, he says all indication would be that the car that hit him should have veered to the right. I said that Podolsky in his report, the police said, that as I rolled my truck north I slowed to approximately five miles an hour and gave an Arnold Bros. Transport driver time to clear the highway which he is backing his unit across. He tooted his air horn and waved thanks, as did a very slow moving vehicle, the Gardewine Transport. That is the detail that we have. Went down to Moose Horn and saw evidence of people who verified his statement of 13 years ago. Unequivocally, are prepared to appear in court and I have notes of a meeting with them.

It is an interesting thing of this Government also—and I quote just a little divergence here—that on November 1, in reply to a question to the Minister of economic security when I asked him why they do not prosecute rather than do another means, where there is a very small amount of welfare fraud in them, and I want to stress that, Mr. Deputy Speaker. But when I asked why they would not lay criminal charges, this Minister said there are other means if somebody defrauds the Government. It is a criminal charge, they have never done that. Well, the Minister replied in this House that would be dragging people to the courts and clog the courts. I do not know what they are there for. Just the other day, I asked the Minister about people in that some department, Autopac being fired and quit because of an investigation and he said for one thing, I have raised it on a number of occasions, which is absolutely false, but he says that Autopac—I am trying to get the quote here—indeed says that it is under a hundred dollars that was involved, and then I guess he indicated no charges were laid. Well that indicates to me and to Manitobans that, if you steal under a hundred dollars, it is not a crime, or are they saying, if you steal from the Government under a hundred dollars it is not time.

It is interesting to see in the same day, a couple of days ago, the Minister say that a thing like that Autopac

would not condone anything that appeared to be anywhere near the edge of what is correct. That was our whole point. They seem to be doing things that are not correct, Mr. Deputy Speaker. I think that I would like to thank you and the House for the opportunity to put at least half of the pertinent points on the record. There are many, many more, but I think that those points should be able to convince the Minister that he is going to have to put his front foot down with Autopac, and intervene on these things and other matters that we brought to his attention to make sure that mess is cleaned up for once and for all. Thank you Mr. Deputy Speaker.

**Mr. Deputy Speaker:** The Honourable Member's time has expired.

**QUESTION put, MOTION 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 Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Housing; and the Honourable Member for Burrows (Mr. Chornopyski) in the Chair for the Department of Environment.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY—HOUSING

**Mr. Chairman (Harold Gilleshammer):** We will call this committee meeting to order to discuss the Estimates of the Department of Housing.

When last we met we were dealing with item 1 General Administration; 1.(b) Executive Support; 1.(b)(1) Salaries \$268,700—the Member for Inkster.

**Mr. Kevin Lamoureux (Inkster):** I would like to start off where I had left off on Tuesday and start with a question on when were the proposals received from the consortium or, I should say, actually resubmitted from the consortium, Genstar and Ladco?

**Hon. Gerald Ducharme (Minister of Housing):** I will give you Genstar's first. Genstar first had given us information that they would be submitting a proposal. In August they let us know, and we had to wait for their manager or their president, Les Cosman, to come into town. We met with Les and Mickey Labrie on October 20, 1988, when they brought in their final proposal. NWC advised us on September 16 that they would be resubmitting their proposal. We sat down with them and then they submitted their final revision on September 16.

So to the Member, we did have a deadline, the end of August. The reason for that was to try to get people on intent and not on proposals, and then we worked back from there. So we actually were quite lenient. We left ourselves open to hear anybody that was coming forward, and as you must realize, in the development business there are not too many that will come forward and submit these types of proposals.

**Mr. Lamoureux:** I guess the proposal call itself went out on June 30 of last year. I do not have a copy of

it in front of me. I do not know what happened to the copy that I did receive, but I believe it was June 30.

**Mr. Ducharme:** They sent it out to their members on June 30. That is what the homebuilders did. They sent out a letter suggesting that we will receive proposals until the end of August.

**Mr. Lamoureux:** I guess this is where I had a considerable amount of concern, Mr. Chairperson, the fact that the proposal call, or I should actually say the method in which the Government put out the proposal call, is really what I would call into question. It is not to belittle the homebuilders association, I believe it is a fine organization, and I think they did a fine job, all things considered, in terms of ensuring that their members were notified that this particular contract was out.

I am wondering if the Minister is of the opinion the proposal call with memorandum, going out on June 30 with the deadline of August 30, if that was really enough time for perspective companies or interested parties to submit a proposal.

**Mr. Ducharme:** Yes, I feel it was. What had happened is, before when there were proposal calls made, and I do not know what the date that was usually on the first one that was done, on this property and the Meadows West was about eight weeks—(interjection)—about eight weeks. However, the problem with that one was what we were told in the industry, and talking to the homebuilders was that the proposal call that went out originally, and I am talking about the one that was done by the previous administration, was a little too restrictive.

It did not allow enough people or it was very restrictive on what the guidelines were. We felt that it was quite well-known that the land was available, it was quite well-known that MHRC's lands are available, period, on any proposals and so we actually had received information. If someone would have come in to us sometime in September and October—we even allowed, I think the Genstar proposal, where they came in September was maybe even different than the one they came in—the original Letter of Intent. So we were very open to allow proposals to come right up. As a matter of fact, we did not close off any proposals until we finally signed an agreement, almost until the end of December of that year.

\* (1530)

So if we had any people notifying us, we were quite open to talk to them. We were quite open and we were very, very open with both groups, Genstar and the other group. The other group, even after that deadline came forward and said, hey, we have some alternative suggestions that we would like to offer you. But you have to remember that the group that finally was successful, the others were at a disadvantage because they did not have land adjoining that they could offer to market and manage, and we would get 95 percent of the profit on our lands.

There was no one coming forward with that type of opportunity so it made it unique in a different situation.

Genstar would want to come in on one way, the other group would want to come in the other way. Genstar wanted to use the same proposal with us that they did with the City of Winnipeg, on the City of Winnipeg's property. That was one proposal and the other proposal was the other group who had their proposal and then there were different proposals.

We were very, very open, so myself as Minister had no problem. To be honest with you, I was even commended. I could read you a letter that I received from the Manitoba house builders commending the way we handled the proposal and commending us that we looked into the guarantee that the small builders, who come forward with their want for lots, would be looked at and we were very, very cautious of that. I have no problem with the way it was handled because you are in a limited market.

We did contact any people that had shown any concerns before, Cairns and Qualico, these types of people that showed interest before. We did not just receive and say, okay, we are not listening to any more. We did contact anybody who gave any proposals before. For instance, Qualico in their development, thought that they had lots in that south end of the city. Cairns was mainly doing their other area in Fort Garry, so there were others that were contacted. We contacted anybody who had made a proposal on the original proposal call put in by the previous administration.

**Mr. Lamoureux:** I wonder if the Minister perceives any type of conflict or problem that could be caused by receiving proposals, given that a deadline was set at the end of August, but receiving proposals at different time periods. He has mentioned one on December 16, one on October 20 and he was very easy in terms of allowing them to resubmit or amend their proposals and the content of them. I am wondering if the Minister sees any conflict in that, and maybe also if he could inform me if one of the companies would have submitted a revision, would the other two companies be aware of the resubmission of the other company.

**Mr. Ducharme:** No, once we saw that there were proposals coming forward from the interested parties that were dealing with the market, for instance, we looked at a couple that—the other company that was Genstar and the other one who we gave lots of opportunity. We did not close off as of that date. We continued to see people and tried to come up with what we felt was best for the area. I do not see any conflict as far as not allowing people to hear about the proposal. I was very conscious of that. I felt that if anybody was out there, they knew.

I cannot say that we did not advertise somewhere in Toronto or Alberta, but I certainly assure you that in any discussions I had with the industry there was no question from them. Maybe I could give you the letter: The Minister of course will be reviewing all proposals during the summer and making the decision by the end of August. I did not say that I was closing off any proposals, but I wanted to give some type of lead-way that was available so that I could hear from anybody who was interested. Anybody who was anything in the Manitoba Home Builders Association,

anybody whose knowledge might pass on to a developer will generally have something to do with—because you just cannot develop this type of property without having probably been involved in it before or have some major concern or association with Manitoba Home Builders.— (interjection)—

The previous administration did have a broad proposal call, so it did give us an indication of what type of people were interested in this kind of land.

**Mr. Lamoureux:** Mr. Chairperson, the Minister in making reference to a letter—maybe he should not have read what he did read—did he not say that he would be making a decision at the end of August?

**Mr. Ducharme:** That is not my letter. I do not know where they got that, because I had indicated that I would like to have something completed by the end of the summer so that we could start looking at the proposals to get into. That is not my letter. I am just giving you the letter that was written by the Home Builders Association. I did not write that letter. The attempt was to try to come up with a resolution by the end of the summer.

**Mr. Lamoureux:** Mr. Chairperson, again I am going to go to the point in which, if you are receiving proposal calls in different time periods, and if you are allowed to resubmit endlessly, I would maybe suggest that you are leaving yourself open for one company finding out what the other company is proposing. I am wondering how many changes were made, or did Genstar or the consortium make any changes upon hearing that Ladco had picked up an additional piece of property, or when Ladco made a change, did not Genstar be privy to that?

**Mr. Ducharme:** I can tell you, it is not like a simple sale or simple call. As a matter of fact, I would say that probably Genstar and the other group—I am talking about the collective group—would probably solicit us through their lawyer and through negotiations after we had heard on who was interested, probably had more chances to change their original proposal than anybody else. Genstar was probably, of the group, the one that was most definite on how their proposal call went, because they have done so many with the City of Winnipeg.

I think they have done four or five, very large, in the Fort Garry area, Lindenwoods area, so they were adamant. They said this is the way we do it, and we sat down with them and we had theirs. The other group that you are referring to who came forward from the consortium, we sat down with their lawyers quite a few times to try and come up with something that would even be close to the one we had originally received in that date from Ladco. Ladco, to be honest with you, I do not think changed theirs, other than how we received our monies, along the line maybe that way we insisted that we would be more concerned about certain items on how we receive our money.

To be honest with you, we could sit at this table all day long. I have no qualms about the way it was handled,

because I understand in the real estate business, I understand in the development business, how people sit down and do proposals, so I have no problem with the procedure that was followed. If there had never been a proposal call before, maybe we would have been notified by a lot of these people that put in originally, but we did go back to those people and a lot of them told us that they were not interested in a proposal or submitting a proposal.

\* (1540)

**Mr. Lamoureux:** Mr. Chairperson, I think the Minister says himself that we could probably debate this endlessly in terms of the method and so forth in terms of the proposal call and the way it went forward. I am of the opinion with my colleagues in the Liberal Party that this was maybe not the best proposal call that the Government has put out; au contraire, that there should have been a proposal call in which everyone would have been entitled to give a possible submission, and a proper amount of time should have been allocated.

There is no saying an interested private citizen might have been interested in developing it as something. You do not necessarily have to be a home builder. There are different types of proposals that the Minister might have received had he advertised it properly. So on that note, I am going to leave the proposal call aspect of it and let him know that I am, and the Liberal Party is, very disappointed in terms of the manner in which the Minister and the Government seek to deal in that land, and what I would like to do now—

**Mr. Ducharme:** Just to comment on that. If the critic believes that someone who has never had any association with the Manitoba Home Builders Association or the house-building industry would put in a proposal and not have heard about the developer—I mean, a private individual, to put up the type of funding and the knowledge that is involved in the proposal, if he feels that he could get somebody to bring forward a proposition that will give us more than 95 percent profit on our share of the land, I would like to see it. I mean, in the real estate business, most house sales—and you do not have the management, all you do is the marketing—the average is 6 per cent. That is what we are getting. I mean, we are getting 95 percent of the profit on that piece of land.

**Mr. Lamoureux:** Mr. Chairperson, I guess the Minister says it when he says he went for the largest profit, the most money that could be made on it. If there would have been a non-profit organization that came forward, for example, maybe to build a community centre, or a multi-cultural centre, there are other uses for property than housing development, especially when you look around at the residential serviced lots that are available in the City of Winnipeg. Had the proposal call gone through the Winnipeg Free Press and the rural papers, we might have heard from someone that would have been interested in constructing something other than housing. We will never know that, because the proposal call did not go out with that type of mechanism. I find that somewhat unfortunate, and it is disappointing.

**Mr. Ducharme:** Mr. Chairman, if the Member across the way is saying that we should be giving this land

away to a low profit, I disagree with him on one item. When we have a participation with CMHC, they will pay us for the land. Why would we give away the money and save the federal Government that money? That is where I am coming from.

I would sooner obtain the money, and if I am going to make a profit on this land, you are going to have other areas of the city where the marketing shows that you should have different types of housing. Where the federal Government will pay me 75 percent towards the cost of land, why would I give it away? When you come into a joint agreement with the federal Government, they will participate in the land and they will pay us for the land. So why should I give the federal Government the land for this type of housing when I can make money on one part, and I can turn around and I can get the federal Government to participate and pay their 75 percent of their cost in the other land?

**Mr. Lamoureux:** Mr. Chairperson, I never said that the Minister had to give the land away. What I did say is that the Minister did not have to have one motive and one motive only, and that was to raise as much money off that piece of land as possible. There are other alternatives that we might have been able to look at, but we were never able to look at those other alternatives because the Minister of Housing (Mr. Ducharme), in my opinion and in the Liberal Party's opinion, did not put out the proposal call in a proper manner. As I say, we could go on endlessly to discuss that point of view.

I would just as soon leave it at that, Mr. Chairperson, and move on into another aspect of the Ladco-MHRC deal.

**Mr. Ducharme:** Since you gave me your Liberal policy, I will stand by, and we will be different from the critic. I will say to you that that was the Conservative policy, it was a decision of the Conservative Cabinet. It was a decision by my department to tell me that this was head and shoulders above any other proposal we have received, and I will go along with that.

I have to make a decision. I am the Minister, and I have no problem with that. I will stand by the decision we made, when we can give back to the taxpayers of Manitoba 95 percent profit on their particular land.

**Mr. Lamoureux:** Now that we are talking about the No. 1 motive for the Government for entering into that particular deal, and that of course being the highest dollar possible, not taking into consideration other effects or other things such as non-profit housing or having an important component of non-profit housing in the development itself, I would ask dollars ahead of people, as the Member for St. Vital (Mr. Rose) points out. I think that proves not only in this particular department but in other departments.

I am looking at part of the deal, or the deal itself, that was entered into with MHRC and Ladco, and they have a year from date tender contract is awarded, which, I guess, is the third or fourth last page of the contract.—(interjection)—The Minister has it? Okay. What I am interested in is, first of all, is the agreement now in effect in terms of the five years?

**Mr. Ducharme:** No.

**Mr. Lamoureux:** No work has been started at this point in time. I am wondering if the Minister can tell me when he is anticipating some work to start?

\* (1550)

**Mr. Ducharme:** What we are doing now is approaching the City of Winnipeg to—remember, you have to have a zoning agreement put in place, and we are hoping to have that in place by late spring. When that happens, then we will enter into actual lots. We are hoping for that to happen, and that is our time frame at this time.

**Mr. Lamoureux:** So, come fall time, we will be looking at seeing some of the lots being developed, the Minister points out, or at least he hopes to see that.

**Mr. Ducharme:** Yes.

**Mr. Lamoureux:** Mr. Chairperson, the other day I had asked the Minister in Question Period in regard to the amount of profit that is going to be made in the first five years. I had stated that it was going to be more than 50 percent in the first five years. The Minister told me that I was wrong and in fact that was not going to be the case.

I am wondering, now that he might have the documents in front of him, if he can confirm that I was wrong at that time.

**Mr. Ducharme:** Yes, when you mentioned that we had said in our bulletin that we sent out that we would make \$9.2 million, we were talking net, and I think you were referring to the chart that was talking gross for the five years.

To give you an idea, gross profits in the life of the joint venture were projected at \$14 million to \$15 million which we originally announced. Net profits at retirement of the debt associated with the MHRC parcel is estimated between \$9 million and \$10 million. The life of the joint venture is projected at 13 years on the basis of the accelerated cash flow of 75 percent of total revenues accruing to MHRC during the first five years. A profit of in excess of \$5 million is anticipated during that time, sufficient to retire MHRC landholding costs with the balance of \$9 million to \$10 million and net profits received during the last eight years.

**Mr. Lamoureux:** Using the chart I have before me, I have, as the Minister has pointed out, a 13-year time span in which he has in the first five years \$5.25 million being made. He then has at the end of 13 years projected that MHRC would be making \$15.34 million. Is that correct?

**Mr. Ducharme:** \$15.34 million, that is correct.

**Mr. Lamoureux:** Then I would ask, Mr. Chairperson, why would—in the news service press release that the Minister himself put out, and I quote, the cost of developing the land is just estimated at \$46.6 million

with Manitoba Housing's share of profit projected at \$9.7 million.

**Mr. Ducharme:** You are talking about including gross development costs in one and not in the other. We are talking two different items in the announcement. We are talking in that statement there, you mentioned I said \$9.2 million, correct?

**Mr. Lamoureux:** \$9.7 million.

**Mr. Ducharme:** Yes.

**Mr. Lamoureux:** So that is net profit.

**Mr. Ducharme:** Yes, that is what I meant. The gross profit is \$15.34 million. We are talking net and gross. You remember, we have a difference in our land costs that we have invested in this land, and our land cost that takes us away from the \$15 million. We got over—what is our total land cost?—\$3.6 million, plus we have, and projected to be around \$6 million—\$5.2 million you have to put to develop the land.

You understand what I am saying? I am saying that in the reference I am referring to net. In here I am referring to gross.

**Mr. Lamoureux:** In drawing up the agreement itself, I do not believe the Department of Housing would have been privy to the knowledge that the GST would be coming in. I am wondering if that is going to have any impact on the projection on what this Government is projecting to make on this particular project.

**Mr. Ducharme:** Of course, we did not have any reflection when we did ours on the GST because—but are you saying, do we feel that this should be up-to-date stats? Remember, if you want to go back through the years, we got our single housing costs in the St. Boniface-St. Vital area. In 1988 there were 521 lots; in 1987 there were 705; and in 1986 there were 1,000. So, we are projecting, we are still anticipating with those figures that we used before to determine ours, without the GST.

If the GST comes along and there is an increase in building, of course we would be glad to see that, because all it does is accelerate, and we get back our money that much quicker. That is why we asked for the profits, to get more than Ladco in the first five years because we wanted to recover. Remember, we only have 37 percent of the land, but we are asking for 75 percent of the profits in the first five years to try and get our money back that much quicker.

**Mr. Lamoureux:** I am wondering if the Minister—just before I had left the other day I had mentioned in terms of the number of serviced lots—

**Mr. Ducharme:** Nineteen hundred. Yes, that is what it was originally.

**Mr. Lamoureux:** The other day in the Chamber the Minister made reference to 120. How many is he

anticipating on putting every year? The other day I believe he had mentioned 120 inside the Chamber.

**Mr. Ducharme:** When we did our projections, the average amount was 120 lots, I believe—(interjection)—142 lots in a year, and I did say to the Member that the average and the lowest you have ever had in that area was 120 lots. But, remember at that time they were competing with River Park South, and so there is movement to run in that particular area.

If however, you do have a heavy influx—say if the GST comes in, we would be glad to handle more.

**Mr. Lamoureux:** I am wondering if the Minister can give me an idea on the raw servicing cost of Meadows West area.

**Mr. Ducharme:** Could you maybe redefine that? Do you want to know how much we spent per lot, or the overall cost to develop that land?

**Mr. Lamoureux:** I am looking at, how much does it cost the province to retain that property?

**Mr. Ducharme:** Our holding costs?

**Mr. Lamoureux:** Your holding costs.

**Mr. Ducharme:** What I can do for now is I can give you an approximate figure, and then get back to the Member on what the exact figure is. Yesterday I did approximate—I said, 1,600 lots and I should have said there are 1,900, but around \$150,000 to \$200,000 a year interest.

**Mr. Lamoureux:** Has Meadows West—and I am assuming the proposal call that you are still looking to divest MHRC of Meadows West along with the other pieces of property? Have there been any other proposals submitted on those projects?

**Mr. Ducharme:** To the Member, Meadows West has been a piece of property that when we started to go into proposal call, when we asked—you will see by the letter, the one we sent out to the home builders that you said was not—well, you and I have a difference of opinion and I will not get into that one again.

The proposal call did ask for Meadows West and John Bruce. We did not receive any proposal calls at that time and we have not received any since. I think probably it is because in the housing starts, in the availability of land, if you take a look at the analysis—our people do analysis when they are doing developing—they found that Meadows West, I guess the people who are looking around Meadows West have a very, very—(interjection)—No, no, I am not knocking Meadows West, it is a good area. It is almost as good as St. Vital, just about.

Remember before we went into this proposal, in any of these proposals, we had an independent person come in and look at all of our lots and all of our land holdings to see whether we would be better to go joint ventures or whether we would sell them outright. So we asked

him to come back, and the member for St. Vital (Mr. Rose) is here and he knows the person I brought in. He came in at no expense to us and he is an expert in this field. I have used his name in public before, his name is Stan Bailie. Stan went through and looked at our lands that could be developed, and Stan came back and said, here is what you would have to do city wise.

In each agreement there are costs that come into figure and I guess what hurts him -(interjection)- No, he does not work on my campaign. In Meadows West there is a roadway that is very costly to put in. It is a collector street that really adds to the value of developing that land and the cost to anybody going in a joint venture. I guess that is what has discouraged him. Also, if you look—and I have some previous updates. I was saying there seems to be a little more oversupply in that particular area of available land available to build, the figures that we have.

The message that we are getting back from the industry is that Meadows West could be as—unless we give an outright sale to somebody, unless we go to an outright sale, an outright sale today, it will be in a holding pattern for probably five years. How much would we get for it today?

**Mr. Lamoureux:** Yes, Mr. Chairperson, I guess this is really what I am trying to get at here now. We had a consortium from what I understand that was actually looking to develop both the Meadows West and the south St. Boniface land. The Minister himself made a statement which I found as very truthful and that is, now as a result of us not entering into that particular agreement, we might be holding on to the land for a few years and he had suggested five. I might suggest it might even be more than that, unless of course we are willing to reduce the sale of that property straight-out at a price.

If we start looking at the net profit, for example, of the south St. Boniface land and we take into account the potential cost of not developing the Meadows West land, and the Minister said approximately \$150,000, you are looking at in around a million dollars. I do not know how the interest would work, I am not an accountant—but you are looking at quite a cost in that manner. I believe the Minister wants to comment to it so I will give him the floor.

\* (1600)

**Mr. Ducharme:** It is funny you ask that question because those are the questions I was asking of the person who we looked to when he did our analysis for us. Then when we did get the proposal calls and we compared them, we were looking at \$6 million to \$7 million difference in just selling the one in the south area from what the consortium had offered us, and that was for both pieces. We were getting \$7 million more. So we did compare that and we took into consideration what our holding cost would be. If there were five years there were a million dollars, we were still \$5 million or \$6 million ahead.

**Mr. Lamoureux:** Mr. Chairperson, last May or June, I had asked the Premier a question regarding—at least

I believe it was the Premier, if it was not the Premier it was the Minister of Housing—what was the closest bid in terms of that almighty dollar of profit-oriented Government. The statement I received was \$5 million. How much profit were the other two proposals offering this Government straight out?

(Mr. Edward Helwer, Acting Chairman, in the Chair)

**Mr. Ducharme:** I can give you the totals. The reason why I will give you some figures, the reason why I have to be careful is because—you remember Genstar. On a gross basis, Genstar would have been in the vicinity of about \$8 million gross and NWC would be in the vicinity—now remember this is just for this piece of land, this is just for the John Bruce—around \$10 million. The gross we have under this scenario is \$15.4 million, I believe.

**Mr. Lamoureux:** To the Minister, Mr. Acting Chairperson, what was the gross for the consortium for both projects?

**Mr. Ducharme:** I can give you the gross that we had from both parcels, but I cannot give you what the costs are on the Meadows West.

So, around \$14 million would have been the life span for both properties on the NWC proposal, and what really hurts the Meadows West property now is that there was very, very heavy cost that took that amount way down. I can get those figures for you, and what it would cost.

**Mr. Lamoureux:** Maybe the Minister can get me those at a later time.

**Mr. Ducharme:** You have to remember Genstar, Borger or Ladco did not quote on the other parcels of land, on the Meadows West. Then what we did was that we took the holding people—that is why we brought them in later—and said, what would you do for us if you were quoting on—everybody said that was the jewel, the one in the southend. So we brought them in and we said, what would you do for us if you just had the John Bruce property? That is why we brought them in and they gave us an update figure on that. That is where the difference was when they did that. There was around \$6 million difference between their proposal and the Ladco proposal on the John Bruce site.

**Mr. Lamoureux:** Mr. Acting Chairperson, because there is somewhat limited time, and I would love to be able to pursue this, and I trust that the Minister of Housing will get me those figures in a relatively short time span, so that I can go over them.

I would like to sum up on this agreement. I would like to suggest in the strongest way I can that I believe the Government blew it, that the Government did not get the best deal. I think if we look over the things that have been presented before us, and if we look over what the purpose of MHRC and the Department of Housing is out there, I would argue that it is not out there just for profit.

The Minister of Housing (Mr. Ducharme) made the comment that \$14 million gross for the combination,

and I respect that, he said gross. The servicing costs of the Meadows West would have likely been higher than the ones in south St. Boniface, and I have nothing to contradict that. But I can say this: had the area in Meadows West been developed, we would have been providing more affordable housing.

I live in that area of the city, and I believe that the cost of land is not quite as expensive, that it would have been more affordable homes. I think there was much greater potential for the Government to ensure that there would have been affordable housing built, and if that meant that they had to give up a few dollars here and there, well then, albeit. After all, that is the reason why we did the land banking in the first place, to ensure that we can make properties affordable so that home buyers can have the opportunity to purchase and acquire our land.

I think if we go over the whole procedure right from the announcement itself, and we go into the proposal calls, what really initiated it was a phone call that I had received, and it was in regard to, well, why did Ladco receive this proposal? I thought the other bid—and I did not know the person or who was telling me this on the other end. He said that just because the Borger family contributed largely to the Conservative Party they should not have had the bid, they should not have had it. That caused me just to look into the matter - (interjection)- and the Member for Churchill (Mr. Cowan) says I should not have brought that up.

**Mr. Jay Cowan (Churchill):** No, I said, oh, sure, bring that up.

**Mr. Lamoureux:** Oh, sure, bring that up. I think that was the thing that triggered something into the back of my mind to maybe look into it. The further I looked into it, the more sloppy it got. I found out in terms of the proposal call, the method was a complete—as I phrased it earlier—abysmal failure in terms of the way it was conducted. That is not to reflect on the Manitoba Home Builders; rather, it should be reflecting upon the Minister and the way that he felt that he should put out the proposal call.

I believe that had it been done properly, we might have had something else, or we could have had other suggestions to develop that land. Following the announcement I had made a call to a member of the consortium, one of the companies that was involved in the consortium, and he had suggested to me that they did not resubmit an application or a proposal. We had it confirmed from another individual, albeit they were not the presidents. That is maybe where the mistakes were made; maybe we should have been talking to the presidents directly. The intent was honest, we did not try to dig up something that we believed was unethical, but this is what we were told and that is the direction that we took.

Had the Government followed the proper procedure in the first place, that would never have happened—

\* (1610)

**The Acting Chairman (Mr. Helwer):** The Honourable Minister—oh. The Member for Inkster.

**Mr. Lamoureux:** Mr. Acting Chairperson, I was taking a drink of water, and my throat was getting a bit dry. The deal itself, as I pointed out, I do not believe was the best deal or was in the best interest of the province.

We had an opportunity here to develop not only the south St. Boniface land, but also the Meadows West land. As a result of the Minister not looking at that particular agreement maybe long enough or hard enough, I believe that it is going to end up costing us more in order to get rid of it.

I should not even use the words “get rid of it”, because after all, if a proper proposal call went out, maybe we would have an interested party go into it. I am very disappointed in terms of the procedure, and the Minister made reference that it was the Cabinet that approved it.

I do not even want to hesitate because it will probably sound awfully biased if I started thinking hypothetically on what went on in that cabinet meeting when the decision was ultimately made. I believe when the decision was made that it was not in the best interest of the province. I am very disappointed in this deal and I can assure the Minister that I will continue to follow the development of this deal and Meadows West and other divestitures that MHRC will be entering into.

On that note, Mr. Acting Chairperson, I am willing to leave the Ladco issue at this particular committee meeting. No doubt it will come up sometime in the future and possibly the very near future.

**Mr. Ducharme:** Mr. Acting Chairman, I have to rebut to, first of all, the Member says that there would be land for affordable housing in Meadows West. He fails to remember that we still have that land in Meadows West. We still have some land, and we still have land in the other one that we have made a joint venture in. Affordable housing, whether it is in the Ladco site or whether it is in the Meadows West site, CMHC will participate in the land costs. So, I as Minister, do not agree with the individual that we should benefit the federal Government by 75 percent dollars, so we may as well stop there.

He also mentions that the officials were not contacted, that maybe someone should have talked to the president. I can assure the Member, he knows very well that the president of this consortium got on public television and said, we were handled very well under this particular scenario, and so, -(interjection)- well, he was saying it. The Member for St. Vital (Mr. Rose) says, what else would he say? If you want to talk about closeness of individuals, I would have to say to the Member that I would probably be a little closer to the president of the company that was unsuccessful than I would be to anybody else who was successful.

I can assure you that the figures show and figures do not lie, that Meadows West is still available. Meadows West can still be developed, and we are still ahead by the land and the money we got from the other one. We went through all these costs. I even brought in people, as I said, who have no vested interest, who have been in this industry and not in the development industry. I told the individual earlier. I even brought in

an individual who has no axe to grind, who has been with the City of Winnipeg for probably 30 years, who knows development costs.

**An Honourable Member:** And developers.

**Mr. Ducharme:** Well, sure he knows developers. You cannot be involved in the City of Winnipeg, involved in doing zoning agreements, and not know all the developers. That is ridiculous; I am not even replying to that. Anyway, Mr. Acting Chairman, the man is very, very respected and we have gotten letters of congratulations from the Home Builders Association, we have gotten letters from the Genstar people, we have gotten acknowledgments from the other groups, saying that as far as they were concerned it was handled very properly. They are business people, they can see that they cannot please everybody.

I can see someone sitting here today saying, well, you should not be involved in the land banking business. I can accept that. Or the land development business. Fine. That is their philosophy. For someone to sit across this table who was not involved in the total transaction, to tell you it was not the best deal, after my own staff, who were involved in the original proposals, who were involved in the final proposals, told us, and it came through MHRC Board, said that is the best deal. That is what they said and that is the advice I took from my MHRC people.—(interjection)—

**The Acting Chairman (Mr. Helwer):** Order. The Member for Inkster.

**Mr. Lamoureux:** Mr. Acting Chairperson, I will just end and then I will let the Member for Churchill (Mr. Cowan) have it. The Minister of Housing at the very end there—I think I can sum it up better by saying that he is quite correct, that the Conservative Party is very content with this particular deal because they used profit as the bottom line. I believe it is their philosophy that the Department of Housing and MHRC and the land banking and so forth is all oriented around profit. They have shown this in terms of their treatment of programs, in the manner in which they have been servicing our seniors, and they have shown this in terms of this particular deal.

In the Liberal Party profit is not the only thing that we would have taken into consideration. Granted, this particular deal might have, and I stress “might have” because the Minister knows full well that this is just a projection, that they might not make this net \$9 million, that they could just as easily make \$6 million or \$4 million, and they could have just as easily made just as much on the Meadows West property. No one will ever know, Mr. Acting Chairperson. I am really sorry to see that and I will leave it at that.

(Mr. Praznik, Acting Chairman, in the Chair)

**Mr. Ducharme:** Mr. Acting Chairman, I do not mind someone saying that if you go into a joint venture, your proposal is to make profit, and the most profit. I am willing to agree with that. That was our intent, but do not start mixing this in with other housing projects and

housing things that anybody is into. If I am going to go into a joint project, then the idea is to make the most money. Let us make that quite clear.

That is far different from going into housing projects for anything that you might have, because the whole idea, if you are going to go in with a developer and you are going to be in a joint venture, if you want to be characterized that it is a sin to make money, then you may as well make the profit and use it for other housing. But that is because you decided first of all to go into a joint venture. If he wants to disagree on that, that is fine.

I know the other Member critic is going to come in and say that I do not believe in joint ventures. Fine, I can live with that. If you are going to go in on a joint venture, once you have made that decision, your best bet is, you have to decide that that is the most money available. Then if you are not, do not go into joint ventures, do a different type of proposal call, do different things with it. Once you decide to go in on a joint venture, fine, then you have to decide it is whoever comes up with the best profit that you can use for the housing in general.

**The Acting Chairman (Mr. Praznik):** Order, please. Order. The Member for Inkster wish to—okay. The Member for Churchill.

**Mr. Cowan:** Mr. Acting Chairperson, it has been interesting to see who was going to get the last word in on this debate.

**The Acting Chairman (Mr. Praznik):** Order, please. The Member for Churchill.

**Mr. Cowan:** I felt for a moment that it was going to continue on along this line for some time, which I did not mind, because I thought at last we were getting into the philosophical realm of the debate, which I think is perhaps the most important realm, more important than whether or not a certain party received funding from a group, more important ultimately than whether or not you are going to make 8, 9, 10, 4, 3 or \$2 million profit on a particular venture, more important in a lot of respects. One of those is, what is the actual mandate of the Department of Housing? I would ask the Minister if there has been any change in the land development policies of the Government since he has assumed the position and the Conservative Government has taken office?

**Mr. Ducharme:** We follow mostly the—are you talking about land banking or the disposal of land?

**Mr. Cowan:** I am talking about them both.

**Mr. Ducharme:** We are not banking any land unless we obtain it for a specific project. The Peat Marwick report had suggested—I know your Cabinet, when you were in Government, suggested that we dispose of some land, and it was declared surplus lands. We have not left that; that particular policy is still the same. The Peat Marwick report did come out and suggested that we carry on with that. However, they suggested that



one parcel of land be gone in on a joint proposal, and that is the one we did.

\* (1620)

**Mr. Cowan:** It is interesting how time mellow individuals and causes changes in perceptions and perspectives both. I can remember the Conservatives being very critical of our housing policy, and now I understand that in at least this area, an area of which there was a great deal of criticism, they are generally following our housing policy without too much change. If all they were going to do is to follow our housing policy, as they are following our Hydro policy, as they are following some of our other policies, then they could have just as well left us there and let us get on with the business.

However, the fact is, there was a change, and now the Minister is responsible for policy and programming. I hear quips and references to bridges. I can tell you that there are still a lot of bridges being built, at some cost to the province, and indeed they are probably serving just as much need as bridges that were built under the previous administration, but I think that is probably a subject of discussion for another time, another place, another Estimates. Perhaps it already has been discussed.

To get back to the matter at hand, the Suburban Subdivision Development Policy was a specific component of the Land Development Policy. I would ask the Minister if there has been any change in that specific area.

**Mr. Ducharme:** Maybe the Member could be a little more clear in what he is referring to.

**Mr. Cowan:** As I understand the policy, it was to ensure that there was an adequate supply of reasonably priced residential building lots as, and wherever, market need or demand would suggest by:

- 1) developing individual sites owned by Manitoba Housing to meet the requirements of the various social housing programs on a continuing basis; and
- 2) subdividing, servicing and marketing major land holdings as new subdivisions to improve affordability of housing, particularly at the lower end of the market, and in turn stimulating the economy through increased housing starts.

**Mr. Ducharme:** We have not changed the theory or the policy of that. As I say to the individual, the only time we have gone maybe from his philosophy was a joint venture, but also he has to remember that they were going to do the same thing on Meadows West and that parcel of land. Other than that, we have lands around this city where, if at all possible—we have some negotiations going now with a very large infill in St. Boniface, the Youville site, where we have land that we would like proposals coming forward for affordable housing. We have not changed that theory. This Minister has not and the Filmon Government has not.

If he looks back in Hansard, when this Minister was sparing in as a critic, the only thing I criticized—the time I got up—during the Estimates procedures, why are you not developing the Grandin Park South area, or the John Bruce or whatever? Why are we not doing it now? The market is there. I think that is one of the first things I asked at the Estimates procedure and I did that I think in '86, if he wants to check back.

My theory has not changed and as far as I am concerned we will continue. We think we have improved on some of the housing in some ways. However, we will continue. We are not here to reinvent the wheel. The housing that we talked about across Canada with the other Ministers—the attitudes are still there. There are problems in Ontario, there are problems in B.C. that are different from ours. The only thing I have to watch as Minister now, if I am Minister a year from now—or whatever is coming—is he knows that the old housing stock was a problem. What I am saying to him is that if there are vacancy rates in our housing and the waiting list is coming down, we have to seriously look at maybe getting CMHC to agree to giving us more than 50 cent dollars to repair and maintain, and go back to the 75-25 split that we do on new housing.

**Mr. Cowan:** What would be the projected cost of the houses that will be constructed on the Ladco-MHRC property in south St. Boniface?

**Mr. Ducharme:** We have got some R3B sites which are multiple, that could be used for anything that is applicable, any interests that might be out there. The final draft agreement is not completed, but there are some temporary figures, there are some—

**Mr. Cowan:** Price of houses.

**Mr. Ducharme:** I will get you the figures of the lots. I cannot tell you what kind of price range people are going to put on the lots. They would be probably in the same vicinity as you have, to compete in the marketplace, at Island Lakes, that is next door in south St. Vital, to compete in the area. Is the Member saying that he is interested in buying a lot?

**The Acting Chairman (Mr. Praznik):** Shall the item pass? The Member for Churchill.

**Mr. Cowan:** The Minister indicated he would give us some information. That is what we are waiting for, and we are not going to rush along.

**The Acting Chairman (Mr. Praznik):** The Chair detected a lull in the proceedings.

**Mr. Cowan:** Originating from the Minister's seat.

**Mr. Ducharme:** The only thing that I can give you is that we are proposing to be competitive with the Island Lakes next door. Which range? I cannot tell you what they range in. They probably range anywhere up to—they have a mix. Apparently they range from—they are in the \$100,000 mark. They are around that figure, the same as in south St. Vital, and they range up to \$180,000-\$190,000.00.

**Mr. Cowan:** Would the Minister consider the \$100,000 range to now be the low end of the market?

**Mr. Ducharme:** If you are looking at single family housing, and you are getting away from detached and everything else—yes, new single family houses.

**Mr. Cowan:** What is the average price of a new house in Winnipeg at the present time?

**Mr. Ducharme:** On a used home right now, it is around \$84,000.00.

**Mr. Cowan:** The question was specific to a new house.

**Mr. Ducharme:** Around \$100,000.00.

**Mr. Cowan:** Not a chance, a \$100,000.00.

**Mr. Ducharme:** Yes, the average you mean? The average would be—I thought you meant comparable, if you are looking at the comparable house because—

**Mr. Cowan:** The average price in the city.

**The Acting Chairman (Mr. Praznik):** Order, please. The Honourable Minister to answer the question from the Member for Churchill.

**Mr. Ducharme:** If you are looking for the average used home on the market, I think the latest figures are \$84,000.00. If you take the average new, it would be about \$120,000.00. You are talking about the average of new houses?

**Mr. Cowan:** The Minister is saying that the average selling price of a new house in the City of Winnipeg is around \$120,000.00?

**Mr. Ducharme:** Yes.

**Mr. Cowan:** On what is he basing that information?

**Mr. Ducharme:** The information is based on the department and I can get you other figures. I can give you specific averages because we use the same, probably a lot of the same figures as everybody else, and I can get you those from the Winnipeg Real Estate Board, and the Manitoba Real Estate Board—on the used. I think theirs is 84, and I get you the new, of what the homebuilders would give us.

**Mr. Cowan:** I would like the Minister, if he can provide that information to us, we will be back at this on Monday. If he can provide this to us before Monday, that would be helpful, and we will carry on this line of questioning at that particular time.

However, I would like to deal with the Ladco deal from another perspective and I would ask the Minister directly: how is it that we are going to be able to get some social housing programs into the Ladco-MHRC site?

**Mr. Ducharme:** There are some sites in there that are down as R3Bs and R3Bs you can build. It is various, it does not stipulate on what the price range is. If we have some proposals come forward, we would look at these the same as any other proposals for any other properties in the City of Winnipeg. We are very, very open for that.

**Mr. Cowan:** No, the Minister is wrong. He could not look at these the same as any other proposals that come forward in any other part of the City of Winnipeg, because he has entered into a deal, and the deal calls for a joint management board. The joint management board has responsibility for decisions in the area, and the joint management board is comprised of two representatives of Ladco and two representatives of the Government, which provides for a stalemate. If Ladco were not to want to allow those to proceed, then it would go to an arbitrator. The arbitrator would have the final decision. The arbitrator does not have the final decision in any of the other instances. No arbitrator has the final decision in any of the other instances of which I am aware, with respect to how the province will fulfill its mandate to provide social housing and accomplish social housing program goals.

So I would ask the Minister firstly, if my analysis is incorrect, and if so, how so, where so and why so, and if not, how does this compare with other similar activities of the department in other areas of the city?

**Mr. Ducharme:** I would hate to tell you your analysis is incorrect, but it is. If you look under the agreement in Section 23 under Assistance: During the course of development and marketing of the planned area the management committee shall ensure that the provision of building lots suitable for any specific housing assistance program may be made available to the purchaser by the Province of Manitoba is given full consideration. We have two people sitting on the committee and if you do have a saw-off, then you have an arbitrator that comes into play. How much more clear can you be?

**Mr. Cowan:** I have actually watched the Minister, Mr. Acting Chairperson, as we asked some questions, and it is somewhat confusing, because he shakes his head yes as we go through all the points, and then he tells us we are wrong at the end. Then he comes back and says we are wrong, but in fact the way in which we describe the process is the process that he describes. I have been involved in some negotiations from time to time and I know the value, the intent, the purpose of the words "full consideration." It means naught, it means very little. It means that all that the parties have to do is consider it, and it does not mean that they have to take any action on it. What this is is an out for the developer, to say, yes, we have given full consideration, the management committee has given full consideration to a specific housing assistance program that requires these lots, but we have decided no. Now if the Ladco representatives on the committee decide no, and the MHRC representatives on the committee cannot persuade them to change their minds, the committee is at a stalemate, is that not correct?

**Mr. Ducharme:** They would be at a stalemate, but then you would bring in an arbitrator. However, that is why we asked for this clause to be in there. That was our request, and we feel that if you are going to be into a joint agreement like the member is not in favour of all we are saying is that we have allowed for that, and that is why we have the two members on that committee.

I purposely myself, as Minister, made sure I stayed off that committee, because I felt that the guidance of my Deputy Minister and my Assistant Deputy Minister, who are involved in all the other programs that we have with MHRC, would probably know better, as far as in their discussions when they are dealing with housing, and they would be familiar with what programs are coming forward, and they would be familiar of addressing that situation, probably better than having a Minister who might not be a Minister there the next year in there for them.

To be honest with you, if the Member across the way wants to know this Minister's opinion, I was one of the ones that insisted we have the arrangement to have housing in that area, the same way as you deal when someone comes forward with a proposal call. You would look at the marketing and you would look at the area and you would look at what is available for that, same as if the Member in Meadows West wants some proposals in his constituency, or you want some in yours, we would be willing to look at the same thing, no different than what you did probably sometimes when you were in Government. The sites are available. There is nothing in our contract that says that you cannot have social housing or whatever. Whether you have seniors or whether you have rental structures, you name them, all our programs are available on this particular site.

**Mr. Cowan:** Just because you ask for something does not mean you receive what you need, what you deserve, or what you should get. The fact that the Minister asked for it concerns me even more, because if I were going to ask for a clause that I felt would lead to social housing, I would ask for a clause that mandated social housing, not a clause that gave the other members of the joint venture an opportunity to opt out of providing land for any social housing, and that is what this clause does. It may not be what the Minister intended the clause to do. It may not be what the Minister wants the clause to do, but the wording is very specific.

The wording is wording that can be and will be most likely looked at by others to determine if there is a requirement for social housing, and I believe that any realistic and responsible reading of Clause 23 would indicate very clearly that there is not a mandate or a requirement for social housing, but if the parties agree there can be social housing. If the other party does not agree—and I can tell you this clause would be a much better clause had the Government had a majority on the management board, but it does not—it is then thrown over to an arbitrator. Where else in our social housing program do we leave the final decision for social housing to be developed, whether or not it will be developed, to an outside party such as an arbitrator

**Mr. Ducharme:** Remember that you have a marketing concept. He knows what you do when you go through

housing. I am saying to him that if the market says that it shows that there is a location that is proper for social housing or senior housing, I do not have a problem the same way that he does on that clause. I say that it is available. He asks me what other program, he has to remember that he says why would I put this clause in. I felt that I knew where the Member from Churchill would be coming from, or Members on that side would—

**An Honourable Member:** You have not provided for social housing so—

**Mr. Ducharme:** I made sure that I provided for social housing (interjection)— No, there is not any guarantee on anything, because there is market of land all over the city. There is no guarantee that you can use it for social housing, because you go through the steps. You do your marketing, you do your zoning, you do all that, so there is no guarantee of any land. There is no guarantee that there would even be a marketability, so what would you do then? What would happen if you did not need the land and you put in so many acres for social housing, and you put that in there and you did not have a market for social housing? What would happen then? Then you have a chunk of land that you cannot do anything with. So I differ from the individual on that one.

**Mr. Cowan:** The Minister is trying to confuse me again. He says first that he put the clause in there because he knew from where I would be coming, and then he says he differs in his opinion from me, and I can tell him that, if he was going to put that clause in there to satisfy me, he should have talked to me first, because I could have told him a better way to do this. A better way to do it would be to mandate it with a caveat that one could change later on if the market did not exist and I think there are enough waiting lists now, and this is a prime enough piece of land in the city that would be easy to find a market for social housing on this parcel of land in some way or another. I would ask the Minister directly what involvement has Ladco had in the past with providing land for social housing at their own expense?

**Mr. Ducharme:** I would not know about what they were involved with in the past, because that was not a concern of mine when I drafted this. I had a piece of land that we felt that because now we have a provincial Government that should be looking for that, and not close our doors all of a sudden. I feel that you did not want to close the doors, that it is now available. I keep saying to the Member that it is too bad that they had not done something with this land, and they cannot say the opportunity was not there. The opportunity was there for them for years and years and years and the land costs and everything else have been climbing, so I think you have taken away some of the opportunity by some of the money that was blown in the past to provide money that is available for social housing, so I cannot answer the question of what they have been involved in. Maybe they have been involved in some land that they had with the city or some land that they had across the city. I am not aware of what they have been involved in.

\* (1640)

**Mr. Cowan:** This is becoming increasingly more like Back to the Future, sequel five, because every time we ask the Minister a question about his responsibility and his actions, he says, well, you had a chance to do this; well, you did not do this; well, you did do this wrong. The fact is that he is the Minister. The fact is that he signed this agreement. The fact is that this agreement in no way provides for social housing, and as a matter of fact throws open the decision for whether or not to have social housing in this area, on this parcel, to the land developers who do not have a strong history in the development of social programming, social housing programming. Then if they say no, it goes to an arbitrator who has to be acceptable to them which reduces our odds in that respect in any event.

I think it is a lousy, lousy agreement from the perspective of providing for social housing. I think it is an agreement that is very well drafted for the land developers, large land developers. I think it is an agreement that, as the Minister says, provides the Government with the most possibility of profit although there is a gamble. If the housing market does not pick up and continues at the pace it is, it may well have been better for the Minister to have sold the two lots. We will be able to discuss this two, three years hence, not now, and gain the interest on that rather than have gone into this deal, but that will remain to be seen.

I think this a bad deal on the basis of it rejects the notion of social housing even though the Minister mistakenly thinks that he might have provided for it. He probably would have been better off not to have had any clause with respect to control of the social housing component in the agreement than the clause he has because it very specifically outlines a process by which programs can be stalled or denied by the other party, and then it is open to an arbitrator. It is not like any other program that we have and the Minister has tied his hands in a way that they are not tied in respect to any other social housing program because of this agreement.

I think this agreement is bad because of the appearance of impropriety as well. I do not believe there was impropriety quite frankly, but I do believe that there is an appearance of impropriety. I think that is damaging to the Government and damaging to the developers and damaging to all who are involved, but having said that I think it is only an appearance. I make that point again. I would not suggest that there has been any impropriety, but I would caution the Minister in the future to ensure that when agreements of this sort are undertaken that they ensure that they are done in as meticulous a tendering process as possible so that there can be no accusations rightly or wrongly for impropriety.

Having said that, and we have limited time, I am prepared to leave this item unless the Minister's remarks provoked some further response from me. Before doing so and before leaving the specific item that we are on, I just wanted to make note as well that I was reading through one magazine and I had actually cut out the article to bring with me today, and it may well be here

and I not know it, or it may well be on my desk where no one would know it to be, those having seen my desk before, but it did reference the Deputy Minister of Housing. It was in reference to an award that he and I think five or six others had won from CMHC. I just wanted to take this opportunity, and it was with respect to providing housing for seniors and social housing, to congratulate the department, because I am certain that the Deputy Minister was operating on behalf of the department when he put forward the types of policies and proposals that won him that award and to encourage the department to in the future continue on with trying to develop better ways of providing social housing to seniors and the disadvantaged and those in need. I congratulate him personally, and I am certain that those congratulations extend to the rest of the department as well.

**The Acting Chairman (Mr. Praznik):** Does the Honourable Minister have any comments?

**Mr. Ducharme:** No, they can go on and on and on.

**Mr. Lamoureux:** Mr. Acting Chairperson, seeing that we are talking about commitment to non-profit housing maybe this might be an opportune time to bring up the whole question of the Infill Program.

I am wondering—I had paged through the supplementary information, and last year when I had paged through it I had seen in writing that they were committed, or had mentioned to build or construct 50 infill houses. I have made mention in terms of the Government's commitment to that program in the previous fiscal year and I do not think it bears repeating, or actually it probably does bear repeating, and that is of course that even though they had a commitment to construct houses they did not build any. I thought that was very unfortunate.

My question is to the Minister. How many—it is written in the books somewhere, but I did not see it—infill homes is the Government prepared to construct this year, or what is their goal for this year?

**Mr. Ducharme:** There were 20 infill units that were included in the budget Estimates for the year. An additional 18 units were earmarked for the Angus Street subdivision to be developed through the Habitat for Humanity. No infill houses were developed in the 1988-89 fiscal year due to problems of site identification and acquisition.

For the fiscal year, up to 10 units of infill housing have been committed to the Weston area, and I know the Member is quite aware of that one. There were problems obtaining the lots. He knows that just recently I got the Weston area together, and he knows that the Weston development area is an association, a group of people—I know that he was on that committee at one time—to sit down and pick out infill lots. The group and the city and we had a hard time identifying these lots because someone would say this lot is available and we would go and see it. As you can probably appreciate it would be higher than what you could afford to pay for an infill lot.

To be honest with the individual, we had anticipated doing infill and now it has come on board that we will have those 10 for Weston. The MHRC has—we have acquired approximately 10 additional scattered lots and will be proceeding to tender stage in the near future, and that commitment to provide those 18 units for Habitat will fall forward. We are anticipating that for the year '90 we will have 38 units.

As you would probably appreciate, the staff is continuing to identify and assemble additional lots for further development. We are finding the lots are hard to find at the price that we can go. I do not know that really there is a breakdown that you have available for lots, so you make sure you keep them under the value to supply those homes, to make them as you can probably appreciate, marketable for the area.

There was no means of our staff at the time trying to tell him that we anticipated, we were in no way trying to allude to them that we were not going to do them, but he knows—and he has talked I am sure to the people in Weston—that we were quite open with him when the Deputy Minister and I sat down with him, with the City of Winnipeg, and we revised the systems for obtaining the lots. We have them now working with the city. That has helped Weston. Maybe that could be used in other areas that they have these types of groups if they can come up with more infill lots.

**Mr. Lamoureux:** Does the Minister through his staff have maybe at their fingertips the number of infill houses that have been built in previous years on an annual basis?

**Mr. Ducharme:** We can give you a total, about 150.

**Mr. Lamoureux:** My concern here, Mr. Acting Chairperson, is the fact that two years ago we had seen a commitment of building 50 infill houses. Unfortunately, we did not see any last year. This year we are looking at 38. It gives me the impression, or it leads me to believe that the Government's commitment to this particular program maybe is not as strong as I would like to see it.

\* (1640)

I would ask the Minister in terms of, if he believes that maybe that goal set at 38 might be a bit low, taking into account the needs of revitalizing our communities and not only the City of Winnipeg. The infill program can also provide revitalization to our older towns, such as Portage and so forth. I am wondering what the Minister's comments would be in that respect.

**Mr. Ducharme:** Just to clear the record, when the Infill Program started we did use up quite a quantity of the city ones that came available by the City of Winnipeg. I think two-thirds of those were anywhere from a dollar to a thousand dollars each, so of course when the program first came in you used up many of those infill lots that were available on that market. Unfortunately, you do have a problem with—you can only pay X number of dollars for a lot. I do not know what the range is, I can get it for you, the maximum amount.

When we started the program we were writing off about \$6,000 per unit. Now we are up to writing off anywhere between \$15,000 and \$17,000 per unit. So you can appreciate what it does to the program. That just gives you an idea of what has happened. I guess it is the old story, you go around improving areas, which is great. The trouble is we improve for the ones next door and we boost the price of the lots up. That has basically been the problem, and that is what the people in Weston found. They say, hey, that lot is available and then the first thing you know it is \$25,000.00. We just could not write off those kinds of monies.

**Mr. Lamoureux:** The Minister refers to Weston and I can relate to Weston very easily. In many cases what ends up happening is a lot will go up for sale and when any group or interested party sees that lot up for sale, by the time the paperwork and bureaucracy goes through the home may have resold. If you go to this particular residents association or even through the Revitalization Board, they can give you several cases in which the lots at one time they could have been picked up for \$10,000 and now they are selling for \$20,000 and \$24,000.00.

What I would ask the Minister is, what format or what is the proper procedure?—I know in terms of the ones in Weston. What is the Government doing? Do they send out community representatives into the areas looking for potential infill homes, or do they hear through requests through different residents associations?

**Mr. Ducharme:** When we sat down with Weston we devised a system where the city would pick up the lot and send their appraisers out right away. So you would not have that time gap, that was to speed it up. We knew we were having the same concern you are having. We now have that arrangement throughout the city. We use their appraisers. You have to remember the neighbourhood improvement programs which we have in place, like Weston and a couple of others, that is how we are picking them up. We are dealing with the city now. The city goes out, they pick up the lot on behalf of the residents associations.

**Mr. Lamoureux:** I appreciate the answer the Minister has given. In terms of the rural areas, such as Brandon and so forth, what type of infill construction has there been in the past number of years in the rural parts of Manitoba?

**Mr. Ducharme:** The only ones we have done in the rural areas—we have picked up infill lots for rental purposes, built the houses and rented them out on a rental basis for rental purposes only.

**Mr. Lamoureux:** Mr. Chairperson, that is all I really had to ask on the infill, but before we pass this particular line I noticed last year's Estimates. If we look at the Professional/Technical, and I am looking on page 19 of these Supplementary Estimates. The previous year it went from three down to one and now it is going to two. Are they increasing the staff, the Professional/Technical support staff in the Department? Are they anticipating on bringing it up to three? Then I would ask why it would have been reduced and then brought back up. Is it people had left or were they released?

**The Acting Chairman (Mr. Praznik):** The Member is still finishing his question, I gather? Is the Member finished his question? Then I recognize the Honourable Minister for a response.

**Mr. Ducharme:** I am told that we have moved the internal auditor from the support to the executive, and I am told if you cross-reference it you will see it coming out of support staff.

**Mr. Lamoureux:** This will be definitely the last question and then we can go ahead and pass this line. That is in regard to the 3 percent rent guideline, and I made reference to it previously in my opening remarks. On the form itself I had made the statement in regard to if the Minister would look at making the form state something to the effect that rents can be appealed if a rent increase is at or below or equal to the rent guideline itself.

**Mr. Ducharme:** I will compliment the Member for bringing that forward. In the last couple of days I looked at the form because we are redoing the forms, I guess. We are going to change it from—if you look on the form it says “an”, a-n, we will change it to “any”.

\* (1650)

**Mr. Lamoureux:** That will, I am sure, clarify it somewhat, make it a bit better. I still would not mind to see some reference at or below the three percent, but that is better than it currently is.

**Mr. Ducharme:** One of my proposals is really that, if you remember we have had 3 percent for the last couple of years and it has stayed fairly consistent. So our advertising has stayed very similar. If we were to have a difference in the percentage, I would say we would bring in a whole new advertising program to emphasize the percentages. So as Minister I have been holding off on that, but when we bring forward, when we complete Bill No. 42 and we have all of the tenancies and more information we will have an even more extensive advertising program.

**The Acting Chairman (Mr. Praznik):** Shall the item pass—pass.

**An Honourable Member:** Progress has been made; be it duly noted.

**The Acting Chairman (Mr. Praznik):** The committee shall note the comments of the Member for Churchill (Mr. Cowan). I am pleased that an item has passed during my brief tenure as Chair of this committee.

Item 1.(b)(2) Other Expenditures, \$63,000—pass.

Item 1.(c)(1) Planning and Information Systems, Salaries, \$830,500—the Member for Churchill.

**Mr. Cowan:** In the detailed Supplementary Information for Legislative Review book, page 20, we deal with this item, the Planning and Information Systems and under Activity Identification it references Community Planning, which is the preparation of an annual three-year social

housing plan as well as some other planning for land acquisition market analysis. I wonder if it might be possible for the Minister to share that three-year social housing plan with Members of the committee. Second, I would ask the Minister if there has been any involvement of community organizations or housing activists or organizations of housing activists in the development of that community plan or any other outside parties that are outside of the realm of his own Department.

**Mr. Ducharme:** I am told that it is a CMHC guide. It is an assistance which CMHC across the nation will be gathering that information and they will release—

If you are asking to release the document, CMHC would have to release the document. Is that what you are asking? . . . be agreeable to releasing it.

\* (1700)

**The Acting Chairman (Mr. Praznik):** The hour being 5 p.m., by the clock in the committee room, it is now time for Private Members' Hour. This committee rises.

#### ERRATUM NO. 4

On Tuesday, December 5, 1989, Hansard Vol. No. 84, Hon. Gerald Ducharme (Minister of Housing), in his reply to Mr. Lamoureux (Inkster), was incorrectly quoted on page 3505. The correction is as follows:

(a) third answer, right-hand column:

“If you are talking about the land, Brandon Park South is the only one that we have entered into.”

Mr. Ducharme's answer should have read:

“If you are talking about the land, Grandin Park South is the only one that we have entered into.”

\* (1520)

#### SUPPLY—ENVIRONMENT

**Mr. Chairman (William Chornopyski):** This committee will come to order. We are dealing with the Department of Environment, and we are on Clause 1.(b)(1). Shall the item pass—the Honourable Member for Wolseley.

**Mr. Harold Taylor (Wolseley):** Mr. Chairperson, things will pass in time, and maybe sooner than the Minister thinks. But, in any case, we have a few more items we do need to deal with. The Minister recently made an announcement about certain expectations he had of the City of Winnipeg regards that they meet the requirements of the new Manitoba Environment Act, and, in particular, he was referring to the quality of water in the Red River as it flows out of the City of Winnipeg.

He will not find argument from this side of the House on that matter. In fact, I have mentioned before certain frustrations with not getting certain things at the city. But, in any case, I think we are starting to see a corner turned, and we are starting to see a change in attitude amongst the general population. I think people are

prepared to put extra monies to environment if they know for sure those dollars will go for the improvement of the environment.

The question I have for the Minister relates to the quality of water of that other large river in our city, the Assiniboine.- (interjection)- Right, the Minister says, not good. I sit out in my backyard and look out on it, and I swear it has become worse in the last decade. I would ask the Minister, in all seriousness, what actions his department is taking regards clean-up of impacts by Portage la Prairie, but in particular, Brandon, and the impacts of the municipal sewage and of the industries contained in those cities.

**Hon. Glen Cummings (Minister of Environment):** First of all, both Brandon and Portage have been in violation of or have had difficulty meeting the standards of their licences. That is not secret. They are both working to attempt to come within the parameters that are required. Specifically in Brandon, there have been some actions which the city has taken.

I am reaching a little because some of the things that I hope I can correctly put on the record come from my period in municipal affairs rather than my time in environment. We are the licensing and monitoring department, but in terms of the one project that Brandon has undertaken, they have a nitrate discharge problem. Brandon has always maintained that the nitrate level above their intake was high enough that they should not be required to meet the lower levels of their discharge. The one thing that they have done is to take the discharge from a PMU plant—Ayerst Organics, I believe it is—who use pregnant mare urine in the process of their drug production, and it was assumed that there was a nitrogen load coming from that plant. That is now lagooned separately, and then I believe pumped to agricultural use, but at least it is separated out. I cannot precisely describe the method.

The city has a lot of initiatives in the development stage in terms of—they are consistently saying that they have a problem meeting their obligations financially. This is of course something that I have always argued that the smaller communities, given the loading that goes with industry and the population base upon which to spread the costs of dealing with sewage loading, are put at a disadvantage. I could make a light reference to the hog plant. It costs \$4 million just to put the infrastructure in for the hog plant at Neepawa. The Brandon site for the Burns rendering plant, which is now owned by a new company, Rothsay, there is consideration being given to moving that plant and modernizing and updating it; some of the sewage loading comes from it as well.

So there are things of that nature in the works, but there we will require in the not-too-distant future somewhere, depending on which engineer you talk to, between \$5 million and \$15 million of additional infrastructure needed in the Brandon system, which is the basis upon which I made the comment when we issued the orders to Winnipeg for additional disinfection of their sewage. In relationship to the base upon which the cost could be spread, the costs associated there, depending on whom you listened to, are between \$8

million and \$12 million, are in fact not great on a per capita basis.

**Mr. Taylor:** One of the concerns that I have is that the information we have indicates that from time to time, there is a rather significant discharge from Simplot. Sometimes there is a warning of this, and the waters coming down the Assiniboine toward the Red are carrying a slug of significantly contaminated water; other times the notice time is very, very short. In fact, it is difficult to get notice out to the public and other water users along the Assiniboine that in fact that is happening. In fact, I have seen as little as 12 hours.

Can the Minister specifically address the problem of contaminants coming from the Simplot plant in the today context?

**Mr. Cummings:** I would have to refer to the department to dig out specific information. It is my understanding, however, that Simplot has moved a long ways to reduce any nitrate emissions that they would have. They have some test projects under way, or have plans on the books for one specific proposal, for using some of their waste to go into a greenhouse-style operation. They also have recently instituted an upgrade; that is, as I recall, the people from Simplot indicating verbally to me that they were able to recover a lot of what at one time they could not deal with and was waste. But precise details of the today situation I cannot tell you, except to say that Simplot is also very likely embarking on a major improvement project within the next few years, and that will also probably significantly enhance their impact on the environment.

**Mr. Taylor:** Mr. Chairperson, I would appreciate it if the Minister then could, with the assistance of his officials, provide me with a post facto update, in writing then, on the status at Simplot, with particular reference to the fairly major chemical spill that occurred about a year ago, and indicating in the correspondence how that will be preventable in the future and what specific measures are being taken.

Speaking of the department, I note with pleasure we have with us here this afternoon that well-known provincial Thespian, the Deputy Minister of the Environment himself. Welcome. I did not get any free tickets yet to those plays.- (interjection)- Especially in certain ridings, and possibly Hansard might require a spelling correction on that one. Those that perform on the stage as actors, in other words.

I have a further question about problems in the rivers in the city area, and it relates to what we had happen about a year and a half ago where we had a rerun of exploding sewers, this time in the north end. In previous years, going back I guess almost a decade ago, it was a similar occurrence in the south end of the city and it was created by the illegal dumping of explosive liquid.

I would like to ask the Minister if there has been further action taken with the city since the announcement some time back by his predecessor as to the actual practices by the City of Winnipeg. I, for one, am convinced that they are not yet sufficient to guarantee we will not have a repeat. I am referring

specifically to the aspect of monitoring and sampling on a frequent basis at the actual dump stations because, although there are now only two, north and south end treatment plants and those plants are staffed, in reality the trucks just come and go. There is no real procedure in place on an ongoing basis which says each truck is checked, either by sampling, by sniffing, by manifest, or by any other means.

I wonder if the Minister could address what I think is a shortfall in safety procedures and practices and what his officials might be doing to try and tighten up that aspect.

\* (1530)

**Mr. Cummings:** Well, part of the answer will lie in the implementation of the final parts of The Dangerous Goods Handling and Transportation Act, whereby more of the objectionable materials that the Member refers to will be handled completely by manifest. In other words, a company—and not to single out any company or product—when they receive 5,000 gallons of a particular material and end up with an amount at the end of their process that is waste, they are able to demonstrate how they have used all of the material and account for it, as well as account for what ends up as waste. But that is only part of the answer. The other part of the answer will be improved monitoring through the city.

The Members have been very anxious to criticize the fact that there was a joint provincial and city committee struck to deal with environmental matters and The Environment Act, and some people have indicated, well, now that there are three or four orders in place, what will that committee have to do? This is probably a fairly good example of how that committee will have to continue to function so that we can communicate better. There will be a monitoring function and as an environment department, I would think that we are quite aware of the fact that there is no way that we can monitor every function that goes on.

The Member has probably identified an area that the city and the province can have further discussions. Those discussions, on that particular item—he referenced the previous Minister—I have not been involved in any discussion since I became Minister. For a specific report, I would have to give it to him in writing later.

**Mr. Taylor:** Mr. Chairperson, I would suggest that, given the significance of the matter, the Minister should get himself a full briefing on the issue. I think the criticism from this side has, in all fairness, not been about the mechanism that the Minister referenced, which is a joint provincial committee. I think there should not be in principle any objection to that. The issue is, was this particular problem and other similar difficult issues being handled properly? It was more that side of it, and I think the Minister gave part of the answer which is all right. Bring the haulers of these waste materials, whether they be just offensive by odour, or whether they are toxics, or whether they are explosives, but bring them under The Dangerous Goods Handling Act.

If that is the case, then I assume we will see a form of licensing of some sort. If that is not about to happen and there is a loophole, and there could very well be in The Dangerous Goods Handling Act, because I think all jurisdictions are still doing some learning on it, then I would suggest some licensing specifically for those type of handlers that are generally based in fairly localized jurisdictions.

(Mr. Gilles Roch, Acting Chairman, in the Chair)

You have them in certain of the R.M.s. In the R.M.s they will tend to be mostly the haulers of domestic sewage out of holding tanks with very little other things, occasionally farm chemicals. So occasionally, those things have been disposed of in the wrong ways and in the wrong places.

I would suggest an overall program by this Minister dealing with education; licensing, either under The Dangerous Goods Handling Act or under another Act; a new form of licensing; manifests, as the way of checking what is going on; monitoring on a regular basis; sampling on an infrequent basis, but, in fact, on an irregular basis, so there is no pattern to the sampling, and those samples be sent to the labs to see if they cross-match with the manifests; and with inspections from time to time into the premises of the firms, so that there can be a review of what is going on. Is the manifest system working? Are there two sets of books? Are the firms actually doing dumping on their own lots? That sometimes takes place. I would ask for the Minister's reaction to those points.

**Mr. Cummings:** On the first point, the previous question, to begin with, there is a second part to the monitoring and control that would be put in place as the city waste treatment plants are licensed. They will need to have a better capability to test and monitor and verify what is being dumped, so that they can have a better record of what they are treating, as well as what they are discharging. There will be increased controls, along the nature of which the Member is asking, in relationship to those who are dumping.

In terms of monitoring generators, that is one of the areas where the Department of Environment has a huge responsibility ahead of it. It will proceed on an ongoing basis. Obviously, we cannot blanket all generators overnight as we proclaim the other parts of the Act.

**Mr. Taylor:** Would the Minister undertake, through the joint provincial civic committee to bring forward this aspect of monitoring of generators, but not just the monitoring of the generators at their base of operations, but at the dumping points themselves? I think he is quite right, as I am not certain the city knows what it is receiving into the system. That I think is concern for anybody, not just in the fact that if the wrong material gets in, the processing will not take place efficiently, but maybe it is something that should not be going through that system and out into the river at all. I think that is the only way you are going to have a warning—ongoing monitoring with irregular sampling, and the sampling of course going to labs for turnaround within a few days time.

I would ask that he do that and I would ask also, either through this committee which maybe is not the



best mechanism, and I am piggybacking a second part to this question, because this is a committee at a working level of official but possibly through the official delegation between the Minister and the mayor, or the Minister and the chairperson of Works and Operations Committee, to request the city—as a second part—to produce a work plan on how they see further changes being made, in some detail on this issue, so that there can be some conviction on the part of officials at both levels of Government that the problem is in hand and not just being handled—(interjection)—yes, but handled on a low priority basis which will take some number of years to have success at.

**Mr. Cummings:** The Member raises a couple of salient points regarding the controls that will be required to be put in place. The licensing process which the city will undergo will be of two types. There will be the environment licence for the discharges and for the operation of the plants which will require the monitoring and so on.

There is also a licence under The Dangerous Goods and Handling Act which will require the same sort of monitoring and reporting which will give us a much better control, something which I hesitate to put on the record but, nevertheless, is correct. Because of the very wide definition of hazardous waste, in fact what we will be doing is licensing the city for hazardous waste reception points. That does not mean that they are taking the kind of hazardous waste, the very dangerous types of hazardous waste; but for certain types, that in fact is how their licence will be controlled.

\* (1540)

**Mr. Taylor:** I think I received an answer to my second part, but not to my first part, which is the more detailed aspect of the today context of more monitoring and more sampling of an actual material that is being dumped into those north end and south end treatment plants. Possibly the Minister could answer that when he is up on his feet next.

The Minister, in his answer, did make reference to what was going to be my next question anyway. That was dealing with the licensing of the city sewage system overall, and the corrective actions that will have to be taken for the city to be able to comply. I ask the Minister, has he requested or will he shortly request the city to develop a multiyear capital plan for the enhancement of its sewage system so that it can meet the licensing requirements of our Environment Act?

**Mr. Cummings:** I see that process being handled through the second part of the orders that we have given the city inasmuch as the Clean Environment Commission hearings on the future usages of the river and, obviously, one of the major bones of contention that will come up at those hearings will be the combined sewers. Recommendations I see flowing from there will lead toward the city's responsibility in developing multiyear plans. I think that we have all recognized that the problem is there and probably have recognized it for a long time.

We have now set in action a process, albeit a slow one, and I will be the first to accede to that, but I think

it is realistic because the expenses associated with it and the long term plans that need to be developed will not happen overnight. Both the city and the province are going to be faced with some enormous decisions in relationship to this sewer system. We just referenced what has happened in some other centres in the province.

I think now that we have made progress towards recognizing and starting to plan for the correction of the problems associated with city discharges, we now can, in a very broad sense, say that we are starting to address in a totally comprehensive manner the urban discharges across the province because there is always some question whether the city was being required to live up to the same standards. We should also put on the record that their plants are operating at a high level of competency. The problem was that they were not disinfecting, and they were not getting what went into the combined sewers at times of high run off.

**Mr. Taylor:** Mr. Acting Chairperson, could the Minister indicate when he expects to see a plan put forward as per the order, and what his best feel is for the time frames of implementation so that the City of Winnipeg's sewage disposal system will meet the requirements of the Act?

**Mr. Cummings:** April 1 is the expected date to receive proposals from the city as to how they will meet these directions, and then of course that is when we will get into the discussion of whether or not it is five to six years. I would anticipate that is the kind of time frame the city will request. Bearing in mind that it is not just the matter of dumping in disinfection, there are capital costs that are associated with this and operating plans that they have to present to meet the standards which will be imposed under the licence. All of that will take some time to develop, including the fiscal planning of the city.

It is not a big dollar as a percentage of the city's budget, but it is a controversial dollar, as we have seen by the debates that are going on in the city right now about whether or not they should be generating profit revenues out of their sewer and water rates. I would like to see something shorter, but I know that is likely the area in which they will be requesting. It will be our responsibility, after we have received their proposals, to make a judgment of whether or not it is reasonable and whether or not it can be done sooner.

So to predict, even to say that I know they will probably ask for five or six years, is probably going too far because, in fact, the decision will be made after we receive their proposals and, even then, some of the breakdown on the technology and the time limits for construction and so on would be hard to define in the short term.

**Mr. Taylor:** Could the Minister tell us, in the discussions that he has or his officials have had to date with the City of Winnipeg on this matter, what has been the ballpark—and I use that term meaning with a 20 percent variation—what is the ballpark figure that has been brought forward as the total capital cost to plan and

build and start operations of this revised sewage system?

**Mr. Cummings:** We have been saying that we believe it is \$8 billion. City officials say it could be as high as \$12 billion.- (interjection)- I have said eight.

**An Honourable Member:** Million.

**Mr. Cummings:** Million. The city says it could be as high as \$12 million. Inflation and so on could very well account for the difference.

**Mr. Taylor:** The numbers that I have heard quoted have ranged from \$100 million to \$250 million to \$800 million, and what we are talking of here, Mr. Minister, is the replacement of the combined sewer system with a twin system. So that is what I was talking about, not just a change as—

**An Honourable Member:** I was talking disinfection.

**Mr. Taylor:** Okay.

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**The Acting Chairman (Mr. Roch):** The Honourable Minister of Environment, on a point of order.

**Hon. Glen Cummings (Minister of Environment):** As a point of order, to clarify what I said a moment ago, Mr. Acting Chairman, the money I referred to was in relationship to the disinfection. There has never been a figure that has been accepted or properly evaluated, in my opinion, as to what the elimination of combined sewers could actually be.

**The Acting Chairman (Mr. Roch):** The Honourable Minister may have had a clarification. It was not a point of order. The Honourable Member for Wolseley (Mr. Taylor).

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**Mr. Taylor:** Then what the Minister is saying is the position of this Government that disinfection of the normal secondary sewage treatment on the two main plants in Winnipeg is what is required, and that the issue of the gradual elimination over time—over time and I emphasize that latter point—of the combined sewer system in the older part of the city to match that in the newer parts of the city, which is a twin sewer system, that is not then part of what this Minister or this Government will require of the city?

**Mr. Cummings:** Well, the Member may want to put that interpretation on it. I would suggest that is not correct because it is certainly not the intention of this Minister or this Government. What we have said is that we have given orders pursuant to the treatment plants. We have also called for Clean Environment Commission Hearings on the long-term water quality objectives and usages for the two rivers within the city. When we set those guidelines, we intend to set them so that it recognizes the need for the discussion on the combined

sewer system so that recommendations can be made available to the province and to the city on what some appropriate methods of approaching that problem would be.

We make no apologies for the fact that we recognize that this is an enormous expenditure. Unfortunately, the city did not quit putting combined sewers in as soon as they should have, in my opinion, but it is easy for me, being not a resident of the city and a newcomer to the Environment, to make that comment. I was not sitting on City Council and making those very expensive decisions. So, I think we will have to work our way through this, but it is certainly my objective that the city has to come up with a plan to demonstrate improvements in the combined sewage system.

I would like to put on the record, as I have indicated it publicly before, I am not satisfied that there are not other methods of reducing a great deal of the problem with the combined sewage system other than tearing them all out at this point. We may never achieve 100 percent satisfaction, but we could go from 75 percent to a better percentage when the water quality levels of the rivers would be more acceptable and get there without the multibillion dollar cost that potentially lies with the combined sewers. Obviously, the best solution is to get rid of them. There may be some technologies, not technologies so much as engineering innovations, that could be used to help reduce the impact of those sewer systems the majority of the time.

\* (1550)

Not being an engineer and not having had studies done, it is pure speculation for me to put that on the record, but I think it is something that can be explored through the Clean Environment Commission process. I would also have to indicate, knowing the workload of the Clean Environment Commission, given Repap, given Conawapa now, and all of the other on-going and ever-growing requirements of the commission, the time that it will take to develop the guidelines and develop the assessments that are needed for this hearing process is probably a two-year process to get the hearings up and gone for this project.

**Mr. Taylor:** That does clarify the situation and I do appreciate that. The Minister is saying some \$8 million plus just for the disinfectant phase. The smaller part, what can be done sooner? I would hope, and that the Minister will not be terribly receptive to a six-year solution to a dollar item that is approximately 5 percent or would be 5 percent of the city's current capital budget. I believe this year is \$176 million or \$179 million, and I think \$8 million is about 5 percent of that roughly.

I think that should be done sooner than later, and not be looking at a year for the plan and five to six years thereafter. I think such a delay would be unconscionable. I can understand what the Minister is saying about the problems of looking at a solution that is a more profound solution, that of dealing with the impacts of the combined sewers in the older part of the city. I will be asking him further questions about the capability of the Clean Environment Commission this afternoon.

The other matter relating to water quality in the rivers is one of external monitoring. There have been far too many incidents within the City of Winnipeg in which there have been serious contaminations of our river waters, both outside and within the boundaries of the City of Winnipeg, and it seems to be that until somebody has actually seen the discoloration or the slick, if it is petroleum products or something like that, which will float on the water, actually sees it coming down the river and says, my gosh, that does not look right, or does that not look abominable, and phones some official, who phones some other official, that maybe the harbourmaster is sent out in his outboard motorboat to have a look at what is going on and in our water.

Now, ostensibly, as I understand the jurisdictional matter, this is a responsibility of your ministry. In reality, the responsibility for the eyes and the ears and the sniffing and everything else is calling on the City of Winnipeg through a very small operation, the harbourmaster operation. I would like a statement from this Minister as to what is going on in the ministry of Environment to correct that matter.

**Mr. Cummings:** There has been a threefold increase in monitoring of river waters. We are talking about the water courses near the city. The other external water courses, we have seen increased responsibilities assumed on the Souris, and we have taken on new responsibilities for base-line monitoring all across the province. I believe we referenced a number of test sites earlier in this Estimates process. Obviously across the North the numbers are not large, but we are getting base-line data.

**Mr. Taylor:** Would the Minister be prepared to provide within short order a list of what the quality of water monitoring program is for the Province of Manitoba, including where the testing stations are, the frequency of sampling and testing and the tests that are being carried out? The last part is, who is carrying it out, is it by contract, volunteer basis with some institution, or is it being done by in-house staff? I wonder if it would be possible for the staff of the department to provide that to me, say within the next couple of weeks.

**Mr. Cummings:** We will supply a complete list of how the monitoring is being done, but largely around the city it is being done by our own people and there is some interresponsibility between ourselves and Natural Resources in the North to try and save money, obviously. Something that I, not being a scientist, did not realize, just the act of taking water samples is not just as simple as sticking a pail in the river. Different levels and different locations can produce different results, so it is not totally as simple as it sounds, but in and around the city I can point out that most of the work is being done apparently by our own department.

**Mr. James Carr (Fort Rouge):** Mr. Acting Chairperson, I would just like to take advantage of these Estimates to bring a matter to the attention of the Minister and to pose a number of questions to him. It has to do with the Monarch Metal scrap yards in the north Point Douglas area. These scrap yards have been a cause of heightening concern to residents of the area now

for a number of years. I had the opportunity, just the other day, to look at it personally and you have batteries, scrap metal and other materials which abut directly to the backyards of a number of people who live in that neighbourhood.

There was a study done by a biologist from the University of Winnipeg, Dr. Pip, which concluded—and I would just like to read very small portions of it: As is apparent, except for mercury, there is a gradient of metal concentration from the scrap plant to the surrounding gardens, in some cases these values are extraordinarily high. She then goes on to say that of great concern is the tendency for heavy metals to accumulate in certain types of plants. Now there are a number of residents of the area who have historically and traditionally, and may I say that they have lived in this area for many, many years. As the Minister knows it is probably the oldest residential area in the City of Winnipeg. There was a practice to garden in the backyards of these homes and they cannot do that any more. The reason they cannot garden is because of these unacceptably high levels of contaminants in the soil which find themselves in the tomatoes and the potatoes that were grown by these people.

There is also a report from the Hazardous Waste Disposal Branch in 1980 which implies that there is at least some evidence of PCBs in the soil sampling. I gather that measurements and testing and standards of testing are much more rigorous today than they were in 1980. Let me just begin by asking the Minister if he is aware of the environmental damage that is being caused by these scrap yards, and we will take it from there.

**Mr. Cummings:** It is not an area that I am totally familiar with, but if I am not mistaken, this was an area where there was a considerable desire to have the scrap yards moved. I have in front of me some test results, or a report of test results, from '87-88. Copper, lead, cadmium and zinc were elevated to some extent in samples taken near to the site. Front garden soil of 14 Sutherland Avenue had moderately contaminated levels and had a significant lead reading; back garden soil was moderately contaminated. So, yes, there are effects from that site. Obviously battery lead always gives rise for concern.

**Mr. Carr:** What does the Minister intend to do about it?

**Mr. Cummings:** The issue is one that has obviously been ongoing for quite some time. We have taken samples and we are going to continue to be monitoring the levels that are there. I do not have a recommendation in front of me that these levels are at a dangerous, or one of considerable concern obviously to the people who are there, but the levels of which I see here in front of me at the moment do not indicate that dramatic action needs to be taken at this time.

**Mr. Carr:** Mr. Acting Chairman, it is easy for the Minister to say he does not live in the north Point Douglas area. He does not live day by day with the anxiety of having

health impaired and injured by the presence of this awful scrap yard literally in people's backyards. We now have evidence that the level of these metals in the soil on the front yard and in the backyard of these residences are unacceptably high and beyond the range which would be considered acceptable, and the Minister tells us he is going to continue to monitor but nothing has to be done. I would ask the Minister to show some sensitivity to the people who live there, and have lived there in some cases for literally generations, dating back to the 1800s in the north Point Douglas area, who have taken root in that part of the city, who believe that neighbourhood is a very special place to live, but who are daily confronted with not only the eyesore, but the potential health hazard of those scrap yards which ought to be moved.

(Mr. Chairman in the Chair)

I would really like to press the Minister on the point if I could and ask him if he will do more than monitor the situation but take some action as quickly as possible so that these fears can be alleviated from the people who live in this area.

\* (1600)

**Mr. Cummings:** Well, in terms of getting the site moved or eliminated, whatever term one might wish to apply to it, it would require application for an abatement program. The city is responsible to a large degree to get that initiated if they can be encouraged to go along with it. Obviously this is something that has built up over a considerable length of time and is not something that I would want to ignore in any way, but at the same time I would be reluctant to put dramatic statements on the record until I had a little better understanding of the impacts of the concerns that are being raised.

**Mr. Carr:** Mr. Chairperson, what is the policy of the Government when it is confronted with the situation similar to this, when there is evidence, documented, presumably by the Minister's own department, that metal levels are beyond what is considered acceptable? What is the policy of the Government in circumstances such as the one that I am describing?

**Mr. Cummings:** Usually if these are identified as health concerns they then become the subject of being brought forward as an abatement project by the municipality located there, and that leads to eventual disposition of the issue.

**Mr. Carr:** Is the Minister saying then that the province has no role to initiate a process that can lead to this abatement that he talks about where the municipality does not take any action? Is the province powerless to act in a situation like that, or can the province on its own initiate action?

**Mr. Cummings:** There are two things I think that are part of this issue. One is that the province is not necessarily powerless as the Member is well aware. Historically, the province has not leaped in where the municipality is the responsible body in terms of initiating abatement projects. If the Member is indicating that

contaminated soil of a particular level is the reason for the Government to move in to start abatement projects, then I would suggest that might be somewhat imprudent.

There are a lot of aspects to a problem such as this that need to be dealt with and obviously it goes right back—the first place to look is in the planning and zoning by-laws that are in place which would allow residential and industrial operations such as this to grow up cheek by jowl. Eventually, the question of the level or degree of health hazard becomes a very important aspect of it.

**Mr. Carr:** Obviously there has been communication with the City of Winnipeg and Deputy Medical Health Officer D.G. Luckhurst in a letter written to Dr. Pip, who is the biologist from the University of Winnipeg I mentioned earlier who did these tests, says the obvious conclusion is that more study is indicated both on the soil and produce levels in the subject area. This would likely take years and a considerable amount of money.

I am given to understand the city politicians have suggested a buy-out of the Monarch site and discussions on this approach are taking place with provincial authorities. In many ways, I suspect this solution to be the most cost-effective and satisfactory to the residents in the long run. What Luckhurst is saying from this piece of correspondence is that while there is evidence there may be a problem here, it is going to take a lot of money and a lot of time to determine the extent of the problem, besides which there is a contemplation of a buy-out.

Well, since then, this is dated January 25, 1988, there has been no buy-out and the problem has worsened. So I would ask the Minister if he would consider taking action on his own in consultation with the City of Winnipeg to see if a conclusion cannot be reached that would alleviate the anxiety of these many dozens of families.

**Mr. Cummings:** I will do one thing for certain and that is I would be prepared to put this on as an agenda item between myself and the City of Winnipeg at the first opportunity, so I can be more fully appraised of where the city is in relationship to this issue. I do remember enough about news items and political controversies now that my memory is starting to click in. Long before I was a resident of this city this topic was brought forward many times.—(interjection)—Pardon me.

**An Honourable Member:** Nothing has been done.

**Mr. Cummings:** The Member says from his seat, and nothing has happened. Obviously, that is why we are discussing it today. The fact is this is a long-standing problem which I will clearly state that I am not fully up to speed on and I will undertake to become more aware of the problem. I am not going to, at this point, commit myself or our Government to specific action until I have had a better understanding.

However, I would ask the Member to hold in abeyance his judgment of whether or not we may be able to do

something regarding this. There are a lot of things as the Member could probably guess that could enter into this. It seems to me that if I lived next to a scrap yard it would be nice to get rid of the scrap yard, so it would be very nice also to have a reason to get it moved. There have been examples of where Governments have gone in and removed top soil and cleaned up an area. If it is a small area, that is not overly expensive to do, expensive but not overly expensive. That would be in the form of an abatement but only a temporary one if this is a form of on-going pollution or whether or not this is a historical pollution which has now slowed down for whatever reason and is static.

The Member a few minutes ago made an indication when he said the level had increased. I am not sure, perhaps I heard him wrong, if that is what he said I do not know on what he based that. I do not have any information in this particular fact sheet that indicates the levels are continuing to elevate. There are a lot of things that I would want to have input on before I paid much more comment on this specific issue.

**Mr. Carr:** Mr. Chairman, I appreciate the fact that the Minister is not fully up to speed on this issue and that is why I am raising it in the House today. I did not say levels had been on the increase over the last little while, but I would suggest that perhaps it is time to check to make sure they are not.

In the same letter from I guess it is Dr. Luckhurst, it says there are some discussions with provincial authorities about the possible expropriation or movement of the Monarch site. A buy-out is the expression that is used in the letter. Can the Minister bring us up to date on the status of those discussions with provincial officials?

**Mr. Cummings:** There are none going on to the best of my knowledge. Would the Member be prepared to table that letter?

\* (1610)

**Mr. Carr:** My last question may be little different than what the Minister is used to in Estimates, Mr. Chairman. I am wondering if he would agree to take a short drive with me—I know he is a busy person—to have a look himself at the conditions in this neighbourhood, the deteriorating conditions, just so he has a sense of what it is like to live in those conditions. I will arrange that he have a cup of tea with a resident whose family has been there since the 19th century and who believes this is really the birthplace of the City of Winnipeg and who cares very deeply about the quality of life in her neighbourhood. I would offer to use my own car and drive the Minister there and arrange for a hot cup of tea, at his convenience.

**Mr. Cummings:** I met a car salesman like this once. Actually I am quite prepared to accept the challenge, particularly if I get tea when I get there.

**Mr. Taylor:** Mr. Chairperson, I want to bring up a subject matter near and dear to my heart and I am not so certain as near and dear to the heart of the Minister of Environment (Mr. Cummings).

**An Honourable Member:** Sandboxes.

**Mr. Taylor:** I am referring to—did I hear the Minister of Trade (Mr. Ernst) referring to sandboxes? Well, it is true, I have some expertise there, but when I dig into those polluted sandboxes, I keep finding the heads of Tory Ministers playing ostrich.

I will get back on to my original topic of discussion here and that is PCBs and that is not to be confused with Progressive Conservative bloops but occasionally they are interrelated and interchangeable.

We have had a long history of concern on this matter. In all seriousness though, one can make one's little jokes, but the problem is I am not convinced that we have a program in place in Manitoba which does effectively deal with the matter. I am not convinced we have the education necessary. I think education is a very, very important aspect of any program dealing with a material that has been with us for some 60 odd years and was considered extremely safe. It was considered only as a benefit to people. Today it is a material that connotes certain worries, dangers, hazards and it is by no means the most hazardous material around. It is not, but it is one that does need to be handled properly, safely and with an overt plan to deal with it effectively. I am talking about the collection and disposal eventually of PCBs.

The program so far in this province has been rather hit-and-miss, I would suggest, whether it was under this Minister, whether it was under his predecessor, whether it was under the previous administration. There is at this time, and I defy any Minister of the Environment so far to say, where is a complete inventory of materials containing PCBs in this province? Where are the storage facilities, and in what condition are they, and what is the plan in place to eventually collect them into a series of limited numbers of collection depots where they may be stored safely, properly, awaiting their eventual disposal by incineration, or in the case of the low-level ones, by treatment and re-use of the oil now containing the PCBs?

Can the Minister give us in succinct form, not a philosophical statement, but what is actually happening from a programming viewpoint dealing with this matter? Because the last time we dealt with it, and the time before that, and the time before that, and the time before that, this administration has not been able to deal with it in an effective and a concise manner, and I look forward to this opportunity for the Member for Ste. Rose (Mr. Cummings) giving this House that information.

(Mr. Harold Gilleshammer, Acting Chairman, in the Chair)

**Mr. Cummings:** Yes, I would—a couple of things. The Member expresses some disregard, or some dismay, or some disgust, depending on how one interprets his approach to this question about whether or not the province has a plan in place to deal with PCBs. Our actions and our plan for dealing with PCBs in this province is fully in line with the national standards, and I believe I can demonstrate to the Member that we have the issue well in hand.

One could always argue that you will find PCBs in some rather unexpected places, but the fact is that we published our list this summer of what are licensed storage areas. The majority of the heavy PCBs obviously are the high-grade ones. Askarels are stored at the hydro site. We are working with Manitoba Hydro and making sure that we have the five year phase-out in place. Beyond that, I am not sure what it is that the Member would be seeking.

**Mr. Taylor:** Can the Minister tell us what has happened in any discussions with his federal counterpart as to the eventual use of one of the mobile incinerator units that the federal Government is expected to provide? I might, for the record, remind Members of the House that, of course, we were promised these mobile incinerators by the federal Conservative administration at the time back in late '84, as I recollect, and there were to be four of them. Well, we have the first one in place in the remote location of Goose Bay, Labrador, dealing only with the federal Government's own collected PCBs from the Maritime provinces.

Now what has happened to the other three which were promised five years ago, I am not sure. What has happened to Manitoba's priority in the setting up in this province or somewhere in this region of a federal incinerator to deal with the high-concentrated PCB-contaminated material, I am not sure. Could the Minister please give us an update on that matter?

**Mr. Cummings:** Yes, there was not a great lengthy discussion, but a fair bit of information put on the record at the last CCME meeting regarding PCB plans across the country. The federal Government made considerable comment about the fact that they felt that they were going to be able to show some movement in the destruction of PCBs. The Member probably knows as much as I do about the one that has been set up at Goose Bay which will be used to destroy federally owned PCBs at this point, and they are busily transporting them there in order to do that job. There was a report on it on TV last week, I believe.

I am not sure if it is up and running at this precise moment, but if it is not, it is expected to be very shortly. That one is, I think, referred to as a portable, as opposed to a mobile, which means you can move it, but not easily. I cannot report on what has happened there, but there were tests being done at Swan Hills, and I understand that they have not been successful. The technology that they brought up from the States to deal with them and they undertook to do some tests at Swan Hills, I do not know if the tests were a failure, but something went wrong with the equipment. I do not think it was related to release of pollutants and one thing and another, but it was the operation of the equipment. Whether or not that project will get on the rails again, we are not sure, but at least they are working on it at this point at Swan Hills.

The simple fact is that identification and collection of storage are the best thing we can do in Manitoba at this point. We can get the material out of circulation, we can identify it and get it stored safely. Now, at first glance, that does not seem like the end-all and be-all in dealing with any particular product. We are not talking

massive volumes; it can be stored. What has to happen is it has to be stored carefully, obviously where the askarels and the heavy PCBs are kept is a very specialized type of storage. Until we are confident that destruction can be achieved of the more concentrated PCBs, then I think we had better stick to that plan. I have been on record as saying that I expected to see mobile destruction facilities. I would now want to go on record saying, yes, I still expect to see them but not in as short a term as I had anticipated.

However, when I look at the volume that we have in Manitoba, I do not think it would be overly difficult for us to continue to store for awhile because our collection and our phase-out policy is on track and on time, on the information I have been given. We are therefore achieving the same end, although we have not permanently eliminated them from the environment.

\* (1620)

**Mr. Taylor:** Mr. Acting Chairperson, I think the Minister has the right two points in the right order, collection and safe storage, but I think most people are convinced that it is not happening in the way that it should, and that there are varying qualities of storage facilities, quite obviously from the facility in the south side of Winnipeg in Fort Garry run by Manitoba Hydro. I think it is an example of how things should be done, and I think, from everything I have seen, it is run well.

Now, we could possibly store all the high-concentrated PCBs at that one facility if that were the Government policy and sufficient space were available which there probably is, or we could see the creation of three or four sites like that, the Hydro one being one of them, possibly a depot for Westman, possibly one for Norman. There is even discussion of a transfer station in the near term in the City of Winnipeg area run by the Manitoba Hazardous Waste Management Corporation potentially in advance of its final storage and disposal facility, and a comprehensive facility.

(Mr. Chairman in the Chair)

Has consideration be given to programming such an effort as that, a limited number of high quality storage facilities which would hold either just high-concentrated PCB contaminated material or both high and low concentrations? If not, what other sure-fire plans is the Minister contemplating? The present program, I do not think, and most others are not convinced, is working adequately.

**Mr. Cummings:** I am sorry that the Member feels, somehow, that there is an inadequate response out there to this issue. He is correct that I foresee, if our destruction capability is not made available to us in the near future, where further construction of permanent style storage will be required. The Manitoba Hydro facility will not be big enough to continue to store and accept increased volumes on an ongoing basis. That is not any secret. There will need to be additional storage.

That additional storage, there are different ways that could be done. I suppose the regional concept that the

Member suggests is not one to be ruled out. I am not sure as we need one in all areas, but we do probably need another storage site in the foreseeable future. We do not need it tomorrow, but that is a judgment we will have to make depending on the results of capability of destruction of the material coming onstream.

**Mr. Taylor:** Given that recognized need down the road not too far, has preliminary planning been undertaken on an all-Government basis or an all-province basis to deal with it, and has there been any capital item entered into a five-year planning context to recognize the need for some additional facility, assuming the Government plays a lead role in developing that facility in the not too distant future?

**Mr. Cummings:** I would indicate that there is not a capital allocation at this point. That does not mean that there has not been some consideration given to the province-wide needs. The conclusion at this point is that we have the issue in hand in terms of storage.

The construction of additional storage could be handled in two ways: in co-operation with Manitoba Hydro, obviously given their responsibilities; or there has been some comments and discussion, as well, with the Manitoba Hazardous Waste Corporation, which the Member referenced having a depot, or a hoped for depot, near the city. That would not strike me as being the place where PCBs are likely to be stored if we are talking about a transfer depot. I would not anticipate that would also double as a PCB storage site but, obviously, Manitoba Hazardous Waste Corporation could very well have a role to play when the need is further identified.

**Mr. Taylor:** The Minister makes reference to the fact that, and I will use his term, the portable PCB incinerator that has now been set up, or is being set up I should say, in Goose Bay, will be used to first incinerate federal Government PCB contaminated material. My understanding was that was to handle material already stored there and that collected from federal facilities in the Maritime provinces. I take from what the Minister said that it is more than that, and that it could very well be for the destruction of federally accumulated PCBs from across the country.

It is on that note that I ask my next question. We saw a case of an American C-5A aircraft coming in here to remove PCB contaminated material taken from a number of demobilized radar stations in northern Manitoba, northern Saskatchewan and Northern Ontario, in which the military staff handling those PCBs had received no dangerous goods handling training, in which the non-commissioned officers and officers in charge of the operation, had not received any dangerous goods handling training, other than the fact that there was the basic military training in the handling of firearms and ammunition. That was what was stated to me by a base information officer at Winnipeg and would have been given to me, prior to that, by a base technical officer some two weeks before that.

Given that we have an exemption, as it stands at the moment, that the Canadian military and any other

militaries operating in Canada are exempt from the Act, what assurances can the Minister give us, if there is going to be further extraction of PCB contaminated material from this jurisdiction by the Canadian military that they have changed their ways in the sense of giving both their staff and their officers adequate training for this matter?

We have made quite a point of saying to our own Government staff, I believe, to other levels of government in the province, and to the private sector, you will have to train your staff adequately, and this is the sort of thing we expect. Can the Minister assure us as to what is going on in this matter related to the federal Government in Manitoba?

\* (1630)

**Mr. Cummings:** The Member refers to the federal Government of Manitoba. Maybe he knows something about Meech Lake that I do not, but perhaps I did not hear the "and" in-between.

What I would have to respond to is that I cannot give him that assurance, inasmuch as I have not had discussions with the federal authorities, bearing in mind that we are not talking about a material that is likely to explode. We look at the Hydro employees over the years that have dealt with PCBs. I would want the same as he does, that they should be properly trained. I would not anticipate that would be a highly technical or difficult training that they would have to be given, and could very easily be incorporated as part of their training, if they knew that they were going to be handling this type of cargo.

No, I cannot provide assurances on behalf of the federal Government that they are doing—(a) I cannot confirm, either, that they are doing something in contravention of the federal Environment Act. Therefore, it is very much a hypothetical answer and I would suggest a hypothetical question.

**Mr. Taylor:** I would reiterate to the Minister that many federal employees, including those of the military, are exempt obviously from provincial Acts, and are exempt from civilian Acts in the case of the federal Government.

When I was told that they had no special training in dangerous goods handling along the lines of what has become now required training for those in other jurisdictions and those in the private sector, and that the federal military could in no way assure me that either had there been any training for the non-commissioned ranks, or the non-commissioned officers or the officers, and that it would appear, talking to the information officer at CFB Westwin they had no intention of giving it to them, beyond that of how they would handle explosives and ammunition and the such, I felt more than a little concerned.

The problem with PCBs is spillage and seepage and fire. The PCBs, normally—the Minister is quite correct—are not an explosive, but that was not the issue. There was no training given to that staff, and there was no way that they would attempt to secure that there had been, and there was no intention to give any training.

I would only ask that the Minister convey his concern and ask for a reassurance back from the federal Government in that regard so that we can be assured that Manitobans are fully protected.

**Mr. Cummings:** Yes, I am quite prepared to do that.

**Mr. Richard Kozak (Transcona):** Mr. Chairman, is it the position of this Minister that hazardous wastes within the Province of Manitoba should be professionally managed to the greatest degree possible, rather than being managed by inexperienced hands?

**Mr. Cummings:** Would you repeat that, please, I did not get exactly what you want.

**Mr. Kozak:** Yes, Mr. Chairman, I am only too glad to repeat my question for the benefit of the Minister. Is it the position of the Minister of the Environment that it is desirable, as a general rule, for hazardous waste within the Province of Manitoba to be managed and administered by professionals well qualified in the area, rather than by inexperienced individuals?

**Mr. Cummings:** Well, I suspect there is a second part to this question, Mr. Chairman. I agree wholeheartedly in the principles that the Member just enunciated. It depends what his definition of a professional is, I suppose. There are a lot of technicians, or people who work daily with hazardous goods who can be trained and become very competent at handling it and do not necessarily have an enormous amount of formal training. I am a little at a loss as to what he is getting at.

**Mr. Kozak:** Mr. Chairman, from the Minister's response to my first question, I do not think that he and I are poles apart in principle on this matter. The Minister is likely aware of public concern in south Transcona regarding the storage of PCBs in an abandoned school facility. He is probably well aware that this storage was a matter of great importance, certainly in the recent municipal election, and that individuals are genuinely concerned, who reside in south Transcona, about the safety of their families, the safety of their children due to storage of PCBs in, what many contend and what I would agree, a rather insecure setting.

The concern has been raised and frankly, Mr. Chairman, I must associate myself with that concern that the Transcona-Springfield School Division has not received a great deal of co-operation from the Hazardous Waste Management Corporation in transferring the PCBs to a more suitable facility, or in upgrading the management of the wastes in question. Perhaps the Minister could tell us whether he is satisfied with the level of co-operation between the Hazardous Waste Management Corporation, his department, and the Transcona-Springfield School Division in this rather serious matter. The seriousness of this matter of course is self-evident, Mr. Chairman. The deep concern demonstrated by individuals residing in the neighbourhood of the storage facility makes the matter even more serious, as I am sure the Minister would agree.

**Mr. Cummings:** I have some good news and some bad news for the Member. The good news is that probably by now those ballasts are gone from that facility, as of this afternoon; coincidental, I suppose, with the fact that I am still in Estimates and not through anything that I have done in the last few days. The stalling point has been whether or not the school division would agree to sign a contract for the eventual disposal of them after they came out of storage at some future point, and that required the guarantee of paying a certain amount of money or the paying of that money up-front.

Now, I stand to be corrected if the Member goes back and finds they are still there, but it is my understanding that the Transcona-Springfield School Division signed a contract last night and I am told the Hazardous Waste Corporation informed my office that they would be going to get them today. So, barring some unforeseen problems, they are gone.

The bad news is that—and I should not venture into this area too far because one should never minimize risks that are associated with this sort of situation—I do have some concern that what we were talking about here was storage of light ballast which is not, in most people's minds, a terribly hazardous product even though it does contain PCBs. It contains small amounts of PCBs and, therefore, should not be deemed to be a potential problem in the community.

The material is—and this is where we get into the storage question about how much of that material is collected and how much of it goes into what type of storage. Manitoba Hydro facility is designed primarily for the high density and hard to destroy materials, so they do not normally assume this type of material, but I think everybody has worked with the good will of the community in mind because Hydro has been working with Hazardous Waste Corporation, as I understand it.

The fact is that I do want to still have a meeting with the Transcona-Springfield School Division because the larger question is whether or not the owner of the material is ultimately responsible for it, and that is what we have always maintained that the owner of it should be responsible for the eventual destruction. That is sort of where we broke down between various responsible bodies. I think there is still room for discussion because I am pleased to say I have some friends on that school board. I am not sure if they are still my friends because we do have to have further discussion as to what happened in this issue.

\* (1640)

**Mr. Kozak:** I am very pleased to acknowledge what I consider to be an extremely favourable answer from this Minister on a matter that has been of some concern to the people of Transcona. I, too, have friends on the Transcona-Springfield School Board and I believe the Minister and I would both acknowledge that both parties in this matter have strong negotiating points that must be properly represented.

I wish both the Minister and representatives of the school board great success in making the points that



they have to make to one another so that situations such as dragged on for many months in the south Transcona area, to the great discomfort of residents of the neighbourhood, need not become a regular occurrence in our province. I do not believe that the Minister would like to have anxieties spread from one neighbourhood of the province to another on a rotating basis. I urge him to use this particular opportunity as a test case for determining the standard approach that will in fact, in the final analysis, be acceptable in situations across the province.

Once again, though, without asking a question to the Minister, I would like to express my satisfaction at the removal of the PCBs from the previous storage site in south Transcona.

**Mr. Cummings:** I said I had some good news and some bad news. I have got almost good news. Apparently they will not be moved until 9 a.m. tomorrow, Mr. Chairman, but at least the promise is there.

**Mr. Kozak:** Mr. Chairman, I have faith in the Minister's word on this matter, and I will not withhold my congratulations until nine o'clock tomorrow morning. He has them now. This matter is successfully concluded, except that I do repeat my urging to the Minister to use the negotiations between his office and the office of the local school board to develop province-wide standards so that situations of this sort need not drag on for many months in future.

**Mr. Bill Uruski (Interlake):** Mr. Chairman, I rise this afternoon to raise a couple of questions on a matter that the Minister is probably not very pleased with my actions in earlier days, and that relates to the matter of his withholding of a licence that was granted to the proposal by the communities of Plumas and Gladstone for the transfer of water from the Assiniboine Delta Aquifer, and I would like the Minister's explanation as to how long that licence will be and his reasons for, in fact, overruling the Clean Environment Commission.

**Mr. Cummings:** Yes, the Member for Interlake may or may not be aware that the Member for Dauphin (Mr. Plohm) queried me on this issue as well. I would take some umbrage with his comment that I withheld the licence. The Clean Environment Commission recommended a licence. My department drew up a licence with conditions. There is a 30-day appeal period, which I presume the Member is well versed on, during which appeals can be heard to any licence.

During that time there are two things that can happen: one is that the affected parties can go ahead with construction and cannot be interfered with during the period of appeal; or the Minister can suspend the appeal once the 30 days are up. What really that does is suspend the decision as to whether or not the licence will be valid. The licence has not been withdrawn. The effect is similar, but the effect does have an end to it. The Minister for Rural Development (Mr. Penner) and myself have pledged ourselves to a conclusion to this issue by next spring, and I do not anticipate not living up to that.

**Mr. Uruski:** Mr. Chairman, I would like to ask the Minister, what will occur between the time that the

licence was granted and next spring that will change this whole situation?

**Mr. Cummings:** Well, the Member knows the answer. I am sure he just wants to have me put it on the record again. The fact is that the Minister for Rural Development has asked for additional work to be done by an independent firm, independent consultant, to do two things—well, more than that, but two pertinent pieces of information we want confirmed. One is the cost of alternatives in terms of source of supply; and to re-examine some of the issues that were brought forward in terms of the aquifer itself.

I do not have the terms and conditions of the contract in front of me. I do not have the name of the company and I should know. I know that there have been applications made, I do not know if the Minister for Rural Development (Mr. Penner) has at this point signed a contract. I believe he has, but I cannot completely confirm that.

Some of the figures that were brought forward, and this means no disrespect to the people who did it, and I think there is some willingness on the part of people within the department even to feel that we have treated quality civil servants with some disrespect in questioning their figures or their integrity. That is not the case because part of the options that were brought forward as proposals for the Westlake proposed pipeline, some of the figures brought forward were not solid. They clearly stated that they were estimates and they were somewhat loose estimates. I just want to be sure that those ends are tight.

**Mr. Uruski:** Mr. Chairman, can the Minister indicate for me what was the looseness in those estimates that made him believe that a second look was required at those cost estimates, when both PFRA and the Minister for Rural Development's Water Services Board, who have been in the business of providing water to communities for over the last almost 20 years, have been doing these estimates? What led him to believe that those estimates were soft, as he put it?

**Mr. Cummings:** The one obvious question that I have, and have not received a complete answer to, is the cost of establishing a head, an intake point in the lake. The figures that were thrown out on the cost of that were very high, and I need to know if there are not alternate engineering methods that would bring that cost down considerably.

**Mr. Uruski:** Mr. Chairman, could the Minister clarify, when he talked about intake point, is that at the Hummerston site or the intake at—

**Mr. Cummings:** Yes.

**Mr. Uruski:** Okay. The Minister is indicating that he is not satisfied that the quotation for the Lake Manitoba alternative is in fact accurate. Is that correct? Mr. Chairman, what advice has the Minister received to lead him to believe that the components of the figure for treatment are out? Is it the source development, is it the water treatment costs, or is it the pipeline costs

in those components because there are really three separate parts to that?

**Mr. Cummings:** Well, the Member is zeroing in on this one aspect and rightly so, because that is one area where I had indicated I had some concern. I do not think that he should assume that is the only area of concern that caused me to recommend to my colleagues that this matter be re-examined over the course of the winter.

I do not think that he should continue to use the position that he does, that somehow we have irreversibly stopped the progress of getting water into either Plumas or Gladstone, because by the time the Environment Commission had made its report and my department had prepared its work on a licence, we were getting well on into the fall. Yes, there is probably a short period of time in the fall when some construction could have been done, but this process has not irreversibly delayed the start-up of getting a pipeline system into that area.

The other aspect that I wish to get firm understanding of, for my own purposes, is why it is that the people in the area, who are looking for pipeline water delivered to their farmsteads, have the impression that besides their hookup costs of between \$5,000 and \$6,000 they will get water for about two cents a gallon delivered to the farm gate? That is not part of a report, but it is certainly a part of a great expectation. It has been raised out there in the community, and one which is giving us all some grief, I would have to indicate.

\* (1650)

The Member asked whether or not I had some concerns about the figures in relationship to treatment costs—the global figures, perhaps pumping costs related to the global figures—and the establishment of a headwater inlet from the lake. The reason I raise that issue is that at no time did anyone reference the point that there are users on that lake today. I have some of them in my constituency. The Sandy Bay Indian Reserve is drawing water from that lake. I have been to their treatment plant. I have seen the water that they are producing. I have received information on the analysis of it, and I have information on the cost of establishing their inlet, which was considerably less than what the ballpark figures that we were given for the establishment of an inlet under the proposals that were brought forward for the choosing of the alternatives to supply the Westlake area.

**Mr. Uruski:** The Minister, as he had in private discussions with me, clearly looking at the one alternative, has zeroed in on it. Notwithstanding that the price from the lowest cost alternative, or estimate to the alternative, of the pumping back of Lake Manitoba water is about \$4 million in terms of cost differential, is the Minister prepared, or who is prepared, even with the kind of costs that he is quoting about expectations being raised in the community? I do not know who has raised those expectations because I was not aware of any of the delivery costs that the Minister has quoted. Notwithstanding those expectations, the project that he is looking at is the most costly project.

If he has concerns with the previous costs, which would be part of the delivery costs of water to the residences along the pipeline, who would pick up the additional costs of the alternative that he is now setting if that is his desired alternative?

Yet I fail to see from all the technical data that has been presented to the Minister that this is the best alternative. In fact, it is the last alternative that is on the recommendation list of both, not only Water Services Board but his colleagues, the Minister of Natural Resources' (Mr. Enns) department, who has been doing monitoring work there for over two decades, and PFRA.

So I ask the Minister to really seriously reconsider his position. The fact of the matter is the licence was issued on August 1. The Clean Environment Commission hearing was concluded on the 25th of July. The licence by his own department was issued August 1, and he is saying there was no time in the fall to do construction. Mr. Chairman, that is not true. The Minister knows that there was August, September, October; there are three months of construction. That pipeline could have been laid. The pipeline, I venture to say, could have been into those communities by freeze-up.

**Mr. Chairman:** The Honourable Minister has time for a short answer.

**Mr. Cummings:** There is a 30-day appeal period that the Member forgot to allocate for. By the information that I was given from the Water Services Board, they would not have had the water as far as Highway 16, even at that point, which still means the people in that area would be hauling water further than they are today. The interesting thing that has happened in that area is that there is an enormous problem getting potable water into that area, but to supply water to Plumas alone is probably not economically viable. Gladstone has to be part of that process, and yet Gladstone is getting exactly the same quality of water delivered to their treatment plant as 90 percent of the other towns in rural Manitoba.

The water quality is absolutely lousy in the rivers the last couple of years because of it being so dry. We are looking at the expenditure of between, depending on which project and whose figures you use, somewhere between \$6 million and \$12 million. I think that we have to be very sure that we are making good use of the taxpayers' dollars, and that we are using the appropriate principles of water management in relationship to aquifers as well.

**Mr. Chairman:** The hour being 5 p.m., time for Private Members' Hour.

Committee rise and call in the Speaker.

## IN SESSION

**Mr. Speaker:** Order, please. The hour being 5 p.m., time for Private Members' Business. The Honourable Member for Burrows.

## COMMITTEE REPORT

**Mr. William Chornopyski (Chairman of Committees):** Mr. Speaker, the Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again.

I move, seconded by the Honourable Member for St. Vital (Mr. Rose), that the report of the committee be received.

**MOTION presented and carried.**

### PRIVATE MEMBERS' BUSINESS

#### DEBATE ON SECOND READINGS PUBLIC BILLS

##### BILL NO. 2—THE LANDLORD AND TENANT AMENDMENT ACT

**Mr. Speaker:** On the proposed motion of the Honourable Member for Inkster (Mr. Lamoureux), Bill No. 2, The Landlord and Tenant Amendment Act; Loi modifiant la Loi sur le louage d'immeubles, standing in the name of the Honourable Minister of Natural Resources (Mr. Enns). Stand.

Is there leave that this matter remain standing?  
(Agreed)

##### BILL NO. 4—THE HIGHWAY TRAFFIC AMENDMENT ACT (2)

**Mr. Speaker:** On the proposed motion of the Honourable Member for Assiniboia (Mr. Mandrake), Bill No. 4, The Highway Traffic Amendment Act (2); Loi no 2 modifiant le Code de la route, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand.

Is there leave that this matter remain standing?  
(Agreed)

##### BILL NO. 10—THE BEVERAGE CONTAINER ACT

**Mr. Speaker:** On the proposed motion of the Honourable Member for Springfield (Mr. Roch), Bill No. 10, The Beverage Container Act; Loi sur les contenants de boissons, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand.

Is there leave that this matter remain standing?  
(Agreed)

##### BILL NO. 13—THE MANITOBA INTERCULTURAL COUNCIL AMENDMENT ACT

**Mr. Speaker:** On the proposed motion of the Honourable Member for Selkirk (Mrs. Charles), Bill No. 13, The Manitoba Intercultural Council Amendment Act; Loi modifiant la Loi sur le Conseil interculturel du Manitoba, and the motion of the Honourable Member for Thompson (Mr. Ashton) that the question be now

put, standing in the name of the Honourable Minister of Health (Mr. Orchard). Stand.

Is there leave that this matter remain standing?  
(Agreed) The Honourable Member for Ellice.

**Ms. Avis Gray (Ellice):** Mr. Speaker, it certainly gives me pleasure to speak on, not just this particular Bill but, the motion that is being put forth in regard to this particular Bill. I did have the opportunity to put some comments on the record in regard to this very important Bill brought forth by the Member for Selkirk (Mrs. Charles). I think it is very important when we look at the entire multicultural community.

I think there has to be a recognition of where the Government seems to be coming from and where we as Liberals are coming from in regard to how we view working with the multicultural community. I often recall the Minister responsible for Culture, Heritage and Recreation (Mrs. Mitchelson) talking about multiculturalism in the sense of speaking of the food, the arts, and the culture of the various communities.

Certainly, that is a very important element of the multicultural community, but it is only one element. I think oftentimes that this Government has failed to go beyond that and really look at the importance of working with the multicultural community in economic development and in integration into our society.

I have had the opportunity to speak with many individuals and with many groups who represent the ethnic and multicultural communities in regard to this very important issue. The sense is out there that we must be working with the multicultural communities and saying to them economic development is very important, and we do not see your groups just as being there to provide festivals in the City of Winnipeg and being there to promote your own culture. We see you as a very integral part of our society, and how we can show you that we see you in that light is by looking at very specific programs that would actually promote economic development within our communities.

\* (1700)

When we think of the immigrant population that has come into this country over the last number of years, what group are better entrepreneurs when it comes to small businesses than many of our multicultural peoples? What better group have that intense work ethic who believe in working hard, who have moved to this country in many cases for a better life, not just for freedom which of course is very important, not for just freedom of speech and freedom of religion, but because they believe that they can have a better way of life in this country, because they believe in the work ethic?

They believe in wanting to be part of our community, and not just part of our community by participating and organizing festivals throughout the year to express their art and their culture, but in actually really becoming integrated into our community within the area of economic development. I have used the word integration, Mr. Speaker, very specifically, not assimilation into our community but in fact integration.

I had the opportunity to meet with one individual this morning who is from the Hindu community. Again we discussed this very subject in that there was a great need for Governments and for Oppositions to look at the whole area of the value and the promotion of our ethnic communities in this whole area.

They want to be part of our communities and they want to be part of the business life and they want to be part of the educational life and they want to be part of our institutions. They want to be integrated in our society. But we as Government have to promote and offer them the opportunities to do that.

I say those opening remarks because I think of the Government now as this Bill has been brought forth in particular in regard to the Manitoba Intercultural Council, who again represent many of the ethnic groups and communities in our province. This particular community and their representatives have been very disturbed by this Government's action of wanting to take away some of the power and some of the authority and the influence they may have as an intercultural council. By this Government wanting to do that, it reflects on the very nature of what this Government believes in regard to these particular groups.

The Government then is saying to these groups, yes, have your festivities. We will give you money for this, we will give you money for that, but we are not going to give you any decision-making ability. We are not going to give you the authority and the accountability and allow you to have the influence that really is necessary. We are going to keep that to ourselves.

By presenting this particular Bill, and then by not debating this Bill, and not allowing the Bill to be passed, I think again the Government is sending out a very clear message to our multicultural community. It is sending out a message and saying we still want to hold all the power. We want to centralize all the authority and we do not trust you. Trust is a very important word, Mr. Speaker. Trust means being able to give away or delegate some of that authority and the accountability that goes with it.

These particular groups are not saying, we want to have the power and the authority to spend the money, but we are not going to be accountable. They are not saying that at all. They are saying we are willing to be accountable for our actions as a group, but give us that responsibility and give us that authority to do so. This Government again has refused to do that.

We now have a motion before this House which talks about the willingness to pass this particular piece of legislation. It talks about asking a Government who likes to say day after day after day how open they are, how caring they are. Let this Government show their openness. Let this Government show that they are caring. Let this Government show that they are good managers by being willing as managers to delegate some of that authority and responsibility and allow groups to take on and make decisions.

Do not horde all the power at the top and do not make the decisions because in fact what happens is the multicultural groups then do not trust the

Government because then they feel the Government is making all those decisions at a central level, and they are often making political decisions. They are then forcing these multicultural groups to start lobbying on an individual basis with the Government.

What you end up having, rather than co-operation and co-ordination in the multicultural community, you end up having the Government promote something called divide and conquer. This can be very destructive, Mr. Speaker, very destructive indeed. We need the Government to send a clear message that they have trust in these groups and organizations. They have the trust in them that they are in fact able to make decisions which involve money and giving out money. They have to be able to give that trust to the organizations; very, very important indeed.

We debated this Bill in this House for a number of weeks before the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson), or many of her colleagues were even prepared to stand up in this House and put their comments on the record. Very late that they did that, put their comments on the record, and now we have a situation where this side of the House is asking that this Bill be looked at. That in fact, we pass this Bill in the Legislature so all three Parties can show their good faith in regard to the multicultural community.

I think as we look over the past number of years, I think we can honestly say as legislators we have come a long way in regard to viewing our multicultural community, asking them to participate in decision-making, and respecting what they have to offer in our communities. We have started to make some strides, but we still have a long way to go.

When it comes to key crucial areas that is what we have to remember, what the key and crucial areas are and that is what the multicultural community will remember as well. They are not necessarily going to remember the \$4,000 and the \$2,000 here that would go to a project, granted they are pleased about receiving monies. They can say, yes, thank you, but what they are going to remember much more clearly, they will remember how this Government refused or did not believe in their abilities and wanted to centralize all the authority and the decision-making in regard to how monies were spent through the Manitoba Intercultural Council. That is what the communities will remember. They are going to remember that very important factor.

To have trust in the people you work with is by far the most important factor that we must all be aware of. That is the best message any Government or Opposition can send out to a group of people, that aspect of yes, I have trust in your abilities whether it is as an individual or as a group. Yes, I have faith in your ability to do this task which you have been delegated to do; to take on the accountability which goes with it; to use your authority wisely.

\* (1710)

That is very, very important, Mr. Speaker, and I think what it comes down to again is the difference between a Conservative and Liberal. The Conservatives, as we know, in terms of the traditional definition of

conservatism which goes back to, I believe, the 17th Century. Conservatives always believe that basically man was born evil. When we go back to the very basic beginning of liberalism, liberalism embodied the fact that basically men and women were born equal. We were born good and not born evil.

When you start developing policy based on that very basic premise, it really makes a difference as to the direction you go. If you believe that basically men and women are born good, that they are basically out to do the best for themselves and for humankind, if you believe men and women are born good so they are in fact not going to be out—and I use the slang term—to rip-off their neighbour, that in fact they are there and they believe in kindness and they believe in the qualities, the good qualities and characteristics of humans. If you believe that then you will make different decisions than if you believe the person you are dealing with is in fact evil.

I think this is a very important aspect to look at, Mr. Speaker, because when you do look at the roots of conservatism and you look at the roots of liberalism, there really is that basic difference.

It applies in the management sense as well. We look at Peter Drucker who has written many, many books about management. He wrote in the '50s, and he wrote in the '60s, and what he had to say—and he is still writing, my colleague from Radisson (Mr. Patterson) mentions—in the '50s and '60s, and is still saying today, is very relevant.

What he said was that as good managers you have to put your trust and your faith in the people that you are working with, that you have to be able to give them some authority, and you have to be able to delegate that responsibility. Yes, there is accountability involved, but there has to be that basic trust when you are giving them authority.

As a manager, whether you are talking about the Minister of a department or a manager of a corporate business, if you believe that everyone below you does not have the ability to carry out the job and will not do it in good faith, then you are going to keep all that power to yourself, you are going to keep all that authority to yourself. This is what I perceive the Conservative Government is doing in regard to the Manitoba Intercultural Council with their very regressive move to centralize that control.

I think it is very important, Mr. Speaker, as I sum up, that in fact the Conservatives pay close attention to those differences and that we can encourage them to in fact change their mind on this particular Bill and in fact support it.

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**Hon. Gerrie Hammond (Minister responsible for the Status of Women):** As a courtesy to the Members, Mr. Speaker, I said that I would inform them about the vigil. It will be held tonight in the Legislative Building at 8 p.m.

**Mr. Speaker:** I would like to thank the Honourable Minister. The Honourable Minister of Natural Resources.

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**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, I want to speak on this particular Bill because I have a speech coming on that I believe needs to be made from time to time on this subject matter. I want to say that I actually rise with a great deal of apprehension in making the kind of speech that I want to make, because it is one that can easily be taken out of context or distorted, and no doubt it will be, to some extent, by some. I put that on the record clearly and forcibly at the outset of my few comments on this Bill.

Furthermore, I wish to make it very clear—

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please; order, please. I would like to remind the Honourable Minister that he has already spoken on Bill No. 13.- (interjection)- Yes, you have—and that the question be now put on June the 27th.

Order, please. We will just check the Votes and Proceedings. Order, please.

On June 27, the Honourable Minister had spoken on the Bill. The Honourable Minister.

**Mr. Enns:** Mr. Speaker, I accept the information and do not for a moment take issue with that. I just make the comment that I actually had a good speech coming.

**Mr. Speaker:** I would like to thank the Honourable Minister. The Honourable Member for Seven Oaks.

**Mr. Mark Minenko (Seven Oaks):** Mr. Speaker, it is perhaps indeed unfortunate that I have to rise today to address the matter before us which is the motion of one of the Members in the Chamber. It is indeed regrettable that we could not have dealt with this particular Bill last year when the Honourable Member for Seven Oaks introduced legislation similar to this. Correcting an inequity that we in the Liberal Party felt had to be addressed, we felt that to prevent any sort of abuse in the future that may arise as a result of, well, changes that can be easily made to regulations and matters relating to regulations, these elements in Bill No. 13 should be introduced into the legislation and dealt with.

It is unfortunate indeed that I have to rise shortly after the introduction of this Bill by the Member for Selkirk (Mrs. Charles) to again debate the same issues that we still have before us, and that we have had before us even from the previous administration and how they dealt with the Manitoba Intercultural Council. One of the comments that I certainly remember from people I spoke to about how the previous administration dealt with MIC was that they were too infrequently used in the advisory capacity on various elements of Government policies.

I certainly think that perhaps if the previous Government administration would have taken this particular aspect of the Manitoba Intercultural Council a little bit more seriously, perhaps they could have

addressed some of the problems that arose as a result of some of the actions of the previous administration. It is secondly unfortunate that I have to rise again on this particular motion.

The particular motion stands in the name of the Honourable Minister of Health (Mr. Orchard) who, I thought over the last several weeks or perhaps it is coming into months now, would have spoken on this particular motion. He is often an Honourable Member of this House who is not short for words, and I am a little disappointed that the Honourable Minister of Health has not chosen to speak on this particular motion and address it and putting out the Government's position on it as a representative of the Government.

Some Members talk about the true position of the Government. Perhaps the action of this Minister speaks greater than any words that could be said by Members of the Government as to how they feel about this particular legislation, and how they feel about some of the issues raised by the Member for Ellice (Ms. Gray) just a few minutes ago on various aspects of our community. I do not think that in a province like Manitoba, where my constituency is perhaps not much different than other Members of the Assembly's constituency, where but 19 percent of my constituents are of English heritage. A very, very small fraction, I think less than 1 percent or so, are of French background, where 60 percent of my constituents are made up of Ukrainians, members of the Polish community, the Jewish community and the German community. So indeed it is almost beyond understanding why the Government has not been addressing this particular legislation in some reasonable fashion, because I am sure their constituencies are very similar.

The Honourable Member for Emerson, the Minister of Highways and Transportation (Mr. Albert Driedger), represents, I believe, a sizable Ukrainian community and has in fact even learned to speak some Ukrainian. Some other Members are finding themselves in the same situation, so we know that Manitoba is indeed a multicultural province. Again it concerns me that we have to bring this legislation forward a second session. It is unfortunate that the Minister of Health (Mr. Orchard) has not chosen to speak on this for quite some time.

\* (1720)

I think this matter should be brought on top of the agenda, and I appreciate the response of the Government House Leader (Mr. McCrae) last week to my comments on Bill 34, where I pointed out to him and Members of the Government, the Minister of Industry and Trade (Mr. Ernst), about the Business Start Program and people calling myself. Again I recently just received a call today on this issue, where the Government was telling people who were calling about the Business Start Program that it was because the Opposition was not passing this legislation. That is why people could not take advantage of this program. While this province is being ravaged by the actions of the federal Tory twins, the Free Trade Agreement, harmonization tables and many other impacts in our economy, this Government is simply sitting there. I am

not sure if the Premier (Mr. Filmon) can play a violin but perhaps that would be an interesting analogy.

They are simply playing the violin and allowing these business closings to carry on without putting in place the Business Start Program. I was heartened by the fact that the day after I spoke on Bill No. 34, and commented on the Government's inaction in not introducing the legislation for five months after they introduced or announced the program, and then not once in the intervening seven weeks, having it first on their agenda of debate of Bills in this Chamber. I was heartened by the action the following day by the Government House Leader (Mr. McCrae) on placing it first on the agenda.

Yesterday, we again had the opportunity of questioning the Minister of Finance (Mr. Manness) on various aspects of this Business Start Program where again Manitobans of whatever background are waiting for this program to come into place. So when I asked him, well, why is this particular legislation holding up the Business Start Program, he could not really respond to any of my questions about the Business Start Program because he said this Bill, Bill 34, did not give it the lending authority. It was presumably simply there to set out the criteria and set up the regulations.

Well, then my question is why was that not done sometime ago? Why not in May? Why not in June? Why not in September? While we are losing jobs, and the Government Members I think can acknowledge the fact that there are many job losses both now and anticipated in the near future and as the actions of the federal Government continue their ravaging ways in our province we will see it in the future, yet they are preventing people who are interested in setting up jobs.

What we are finding is that by the Minister of Health (Mr. Orchard) not speaking on this motion, he is perhaps continuing in his usual way of waiting for crises to happen before he addresses them.

Recently I was reading some place that when Mackenzie King was Prime Minister, and the C.D. Howe way, the St. Laurent way of managing Government was to anticipate programs—

**An Honourable Member:** Seances.

**Mr. Minenko:** Well, the Member for Lac du Bonnet (Mr. Praznik) is talking about seances. Perhaps the Premier (Mr. Filmon) has been off to some himself and not about himself, but that can be left to another time.

I think people could agree that under previous administrations at the federal level they looked and anticipated crises that would happen. They anticipated crises and dealt with them so people would not be affected. Yet what we see, typical of the Minister of Health (Mr. Orchard), is he waits for a crisis to happen and then says, I am here. I am here to take care of the problem. Well, Mr. Speaker, we know what his record is like.

The Member for Kildonan (Mr. Cheema) several weeks ago pointed out the problems in emergency services in the Seven Oaks Hospital. Just a few short days ago,

once again constituents of mine, constituents of the Member for Inkster (Mr. Lamoureux), the Member for Burrows (Mr. Chornopyski), and the Member for Kildonan were again being endangered by the inaction of that Minister. Instead of anticipating the crises and addressing those particular problems, he simply lets them slide until something happens and then he arises from his chair, spreads his wings and says, I am the saviour. I am here to deal with the problem and this is the way it is going to be addressed.

How many more times must my constituents wait in the hallways of Seven Oaks Emergency before that problem is addressed? It seems this is the kind of style the Minister of Health (Mr. Orchard) likes to show us here in the House and also in his department. If this is an example of this Government's actions, I am a little concerned about some of the other departments. How many other departments, Mr. Speaker, are being run in the same fashion?

I am a little concerned, as I previously advised the Minister of Industry and Trade (Mr. Ernst), and with various comments I have placed on the record, about the way he has anticipated assisting businesses in the Free Trade Agreement to perhaps take any of the benefits that might be available. We have yet to see the fruition of the benefits of any Free Trade Agreement, but again, instead of anticipating and putting in place programs early on last year, even a year ago, or in January or February, March or April, or May or June, he had some workshops dealing with the Free Trade Agreement scheduled for September.

So again, is this the kind of symptom in this Government where they simply let it brew, let it stew, let it carry on and see what happens? Then when there is a crisis, when it has to be brought to the attention of any particular Minister of the Crown, then they try to deal with it and skirt around the issue or try to point out this or that.

Unfortunately, too often this has been happening in this House and various Members on this side have been raising various issues saying, all right, we wrote you, the people wrote you on such and such a date. We wrote you on such and such a date. We have not heard from you in several weeks. What is the problem?

The Member for Springfield (Mr. Roch) just recently raised an issue that should be addressed. Now maybe while the family is indeed in dire straits, maybe now the Government will address the issue. Again, it just seems to be symbolic of how the Minister of Health (Mr. Orchard) may be dealing with his department.

Again I am concerned, how many more people will have to come in harm's way or have harm hit them before there is an action? That is why, Mr. Speaker, I am concerned that the Minister of Health has not addressed this motion. Where he seems to wait and wait and wait before addressing it—and I can appreciate that oftentimes a Member needs to review the legislation, needs to give it due consideration, needs to consult and consider the views of others before speaking, but certainly it can be addressed in a quicker fashion.

Mr. Speaker, what are the elements the Government is perhaps hesitant to speak on? What are the elements

of this Bill that they shy away from commenting on? We in the Liberal Party of Manitoba, we here are committed to a policy of recognition of the diverse nature, and the cultural heritage of this province. We feel an that important element is including in legislation, allowing the Manitoba Intercultural Council to have as part of their operations the ability to select their own chairperson, the ability to select their own executive director, the ability to administer funds that come from the Lotteries.

How can the Minister then justify, looking on various other councils that receive funding—the Sports Federation, I believe, receives approximately \$10 million a year. Are the people who decide on the funding coming from that \$10 million? Are they Government appointees, as has happened with the funding that is going to the ethnocultural community in this province?

\* (1730)

We saw in September the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson) put out a brochure that was sent to people saying this was an independent body but they will be using the criteria from before. Well, if it is an independent body, the brochure was prepared before September, the council did not meet until the middle of September and the brochure was sent in the first week. So how can the body be an independent body of Government when the criteria were already decided?

On the other hand, if the same criteria and application form and process are used as the Manitoba Intercultural Council, why was this extra body needed? Why was this second body needed? I think we see that the Government, perhaps in hindsight, has reviewed what has happened and is perhaps hesitant to speak on this, because I feel it is certainly a contradiction. Thank you, Mr. Speaker.

## BILL NO. 17—THE EMPLOYMENT STANDARDS AMENDMENT ACT

**Mr. Speaker:** On the proposed motion of the Honourable Member for Thompson, Bill No. 17, The Employment Standards Amendment Act; Loi modifiant la Loi sur les normes d'emploi, standing in the name of the Honourable Member for Inkster (Mr. Lamoureux), who has 12 minutes remaining, the Honourable Member for Inkster.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, it gives me pleasure to be able to conclude some of my remarks that I had started the other day in reference to The Employment Standards Amendment Act.

Some workers are in a situation in which they might not have the type of severance packages and benefits that many of us have had in the past. I look at myself as an example, when I was a member of the Forces, the federal Government had a very good, comprehensive package in terms of retirement and severance pay if you were to leave or if you had to be released, for whatever reason there might be. After leaving the Forces, I had entered into a different type of work and the work I had entered into did not have the type of severance and benefits that the Forces had.

Mr. Speaker, there are other types of work that do not even have the benefits that I had received on my previous employment. What I am trying to point out, citing myself as an example, is the fact that there are many different types of jobs, as we all know. Not all jobs are equal in terms of the benefits and severances packages that are offered. Given an opportunity, I am sure most employees would like to be able to have some type of insurance that they would have good packages, so that if something did happen, that they would be able to continue their lifestyles.

No one would like to be left in the position in which they are making large payments, whether it is on a home, a car, or just supporting their family with food, and then they get laid off for whatever the reason might be. They might be one of the people who are in the situation in which there is no severance package. When I think of that, and I look at The Employment Standards Act, I would agree that we could look at it and see if we can amend it in a positive fashion that will protect those that do need to be protected. That is one of the reasons why I myself entered into politics, to ensure that proper legislation is in place to ensure that people will have a rest, or be able to feel somewhat assured that, if something did go wrong, there is something in place.

If we look at the social programs that are now in place, one of the greatest programs that the Liberals brought in federally was, of course, the Unemployment Insurance program. This makes available monies to people, whether they are laid off or they have quit or just looking for a different line of work. It is there so that people will be able to continue their way of life and have as a backdrop just in case they are laid off. I think that is very important.

The Member for Flin Flon (Mr. Storie) was making some remarks in addressing this particular Bill, and I would actually like to quote him a couple of times here. One was that "the Liberals have chosen not to debate final offer selection to any extent at all." Unlike the third party of this Chamber, the official Opposition takes the opinion that it is not compulsory that every Member speak on a Bill, that in fact it is an option in our caucus that if we would like to speak on a Bill, we can speak on a Bill. Not only that, we are not even held to speaking our full 40 minutes. It is completely up to the Member. We feel no obligation to force Members if they feel that they would rather not speak on that Bill for whatever reasons, or even if they felt the needs or the concerns were expressed from the appropriate critic of our Party on a Bill. - (interjection)-

As the Member for Radisson (Mr. Patterson) points out, it is quality before quantity. I think that is a very important fact. Another quote that I would like to make reference to is when the Member for Flin Flon said, and I quote, "I would like to know whether there are Members of the Liberal bench who are actually interested in introducing and changing legislation in this province that is beneficial to workers."

I think a remark of that nature is really uncalled for and not worthy in this Chamber. If we look at the comments or the legislation that the NDP Party is now proposing, and you put that in the context that they

were in Government for 15 of the last 20 years, I question why the NDP now believes that they are concerned about not only this issue but other issues, when they had an opportunity in which they could have implemented it.

I represent a riding that includes a couple of industrial parks. These industrial parks have people coming and going from all over the city, and actually even from outside the city. I have met with many workers who work not only in those ones but in other industrial parks in the city and manufacturing companies and so forth, as I am sure all Members of this Chamber have. If the Members were talking to these people, or to our constituents, we would find that they too believe that it is important that we have strong legislation, especially when it comes to work-related legislation, that is going to ensure them peace of mind and some degree of stability.

I believe that we do need to look at the impact of the free trade deal and what that is going to be doing to potential layoffs. If we look at the free trade deal and look at one particular industry, and the one I will single out is the garment industry, we have had layoffs since this Government has been in power in the garment industry. I think it is important that we realize that might have come into being because of the free trade deal. I believe that it takes nothing for the United States, which is 10 times the size of Canada, to increase their production and possibly shut down or force foreclosure in some of our industries. In particular, the garment industry somewhat worries me.

I believe that we need to look at all areas of our province, look where the free trade deal is going to be having an impact, and see how it is going to be affecting the employees. One of the reasons why we should be looking at The Employment Standards Act at this time is to put the free trade deal into context along with this particular Act. For that reason, I do believe that it is important that this type of legislation does eventually go into committee because once it is into committee, I think we can then look at it and see if there are some positive amendments that we can make towards it.

We look at our current legislation where there are 50 being laid off or 50 to 100 laid off, there is 10 weeks notice. The third Party addresses it on a much larger scale or might be going a bit too far in terms of the amount of notice that is needed for a number of the employees. I am open to the discussion and to hear their views, and I am sure that, if it was in committee, we would hear their views on this. I am open to suggestions, and in fact I am sure all of my colleagues are open for reasonable and rational debate and arguments that would be put forward to back up what the Member for Thompson (Mr. Ashton) is proposing as an amendment.

\* (1740)

If the Member puts forward the arguments and is accepted by us, I am sure it would pass and make our legislation that much better. What is important here is that it goes to committee, that we are given the opportunity to be able to suggest amendments so that



we, in the official Opposition, are able to let the third Party—and they have asked us numerous times to state our position. No doubt, hopefully more speakers will be able to speak on this Bill depending in terms of how often it is called up.

We do have a large number of Private Members' Bills on the Order Paper, so it is going to somewhat limit us in terms of how many speakers we will be able to put up. But hopefully we will get one or two more speakers up before this Session comes to an end, whether it is in March or whenever it does wind down. The Liberal Party is not going to try and hold up this type of legislation. In fact, if it goes to committee, I am sure we would be in support of seeing it go to committee, whereby we would be able to propose potential amendments to it. On that note, I will sit down.

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, I move, seconded by the Minister of Environment (Mr. Cummings), that the debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 18—THE OZONE LAYER PROTECTION ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for The Pas (Mr. Harapiak), Bill No. 18, The Ozone Layer Protection Act; Loi sur la protection de la couche d'ozone, standing in the name of the Honourable Minister of Justice (Mr. McCrae). (Stand)

### **BILL NO. 20—THE MUNICIPAL ASSESSMENT AMENDMENT ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Member for Sturgeon Creek (Mrs. Yeo), Bill No. 20, The Municipal Assessment Amendment Act; Loi modifiant la Loi sur l'évaluation municipale, standing in the name of the Honourable Minister of Government Services (Mr. Albert Driedger), the Honourable Minister.

**Hon. Albert Driedger (Minister of Government Services):** My remarks will be very brief. I had actually anticipated—I thought there was some understanding that possibly this Bill might be considered to be withdrawn based on the fact that the Minister of Rural Development (Mr. Penner) has his assessment Bill before the House. It addresses the concerns here and I think the Member bringing it forward can withdraw it at any time. I thought there had been some discussion to that effect. If not, of course, we can debate it or defeat it.

It would be a fruitless Bill to pass at this stage of the game, considering that the issue that is being dealt with in this Bill is being addressed under The Municipal Assessment Amendment Act which is coming forward. I want to indicate that I appreciate the thought of the Bill coming forward, because I had the privilege of bringing forward a Private Members' Bill addressing the same situation for four bible colleges at that time,

and the Catherine Booth Bible College was not included at that time.

After we had the Bill passed, and this was a Private Members' Bill, one of the very few which have been passed in this House and I was actually pleased, but it was a matter of the organization. The four bible colleges involved did a very extensive lobby with the Government of the Day—I was not a Member of the Opposition at the time—presented the case very strongly. As a result, the Bill did get passed, but it included only the four bible colleges.

One of the reasons it was done that way was because you have many private schools and many private colleges and they are not all the same type and it was very hard to differentiate as to which ones should be included in this. So we used the four bible colleges at that time. The criteria were that those colleges which basically had university entrance courses could be used.

After the Bill was passed, and there was a lot of concern as to whether the Bill should be passed, because there had been some funding which came forward to assist some of the bible colleges. If anybody is interested, they can go back to the debates that took place at that time, from both sides of the House, where there was extensive discussion and debate on exactly the quality of education that bible colleges bring forward. It was very interesting. After the Bill was passed the Catherine Booth people came forward, as well as a few other private colleges, bible colleges, but the criteria were not quite the same.

However, under the legislation that the Minister of Rural Development (Mr. Penner) is bringing forward on this Municipal Assessment Act, these things get addressed; so I will not belabour it any further. I wish that maybe Members opposite could draw it to the attention of the sponsor and consider whether possibly that Bill, under the circumstances with the other pending legislation coming forward, could be withdrawn, not that it makes much difference to myself, but I just throw it out as a suggestion. I have not debated on this Bill, for the simple reason that I thought it was going to be withdrawn.

Depending on the discussions which take place possibly between House Leaders in terms of a Bill of this nature—I believe there is another one—I think the Member for Springfield (Mr. Roch) also has a Bill in there that I think is being addressed as well under The Municipal Assessment Amendment Act. Maybe the same consideration should be given to that. I would allow the House Leaders to maybe discuss that among themselves to see whether it is necessary to do that. Thank you.

\* (1750)

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I just want to speak on this for one or two minutes. The Member for Sturgeon Creek (Mrs. Yeo) on this particular Bill had a very legitimate concern in bringing it forward. I guess what has happened in the past in terms of when Government brings their Bills, it is usually toward the latter end of Sessions. Maybe they did not expect this Session to go quite so long.

I believe the Member for Sturgeon Creek, through negotiations, as the Minister of Highways (Mr. Albert Driedger) has pointed out, should and is consulting with the Government House Leader (Mr. McCrae). What is important here, Mr. Speaker, is that the Member for Sturgeon Creek recognized a need and brought it to this Chamber. I believe it is a valid Bill at least until the proposed Bill which the Government is bringing forward receives Royal Assent.

It still provides us the opportunity to be able to stand up and comment on our action and the Government's reactions to our actions or whatever it might be. On that note, Mr. Speaker, I will end my remarks.

**Hon. Glen Cummings (Minister of Environment):** I will put a few words on record about Bill No. 20. I think the Minister of Government Services (Mr. Albert Driedger) has correctly indicated that we have brought forward a major piece of legislative work in the assessment reform Bill that the Minister of Rural Development (Mr. Penner) has brought forward. One of the things that is most key in assessment reform is making sure that there is fairness and equity among the various sections of society in how we levy taxation.

I am more than a little concerned that the Opposition wishes to continue to take the time of the House to do as the Member from Inkster (Mr. Lamoureux) just indicated, have an opportunity to comment on reactions from the Government. If that is the reason for keeping this on the Order Paper, then I am concerned that perhaps he is not really interested in fairness and equity in terms of assessment.

As he sat down a couple of minutes ago, I believe I heard somebody on the other side of the House yell, pass. If it is their objective to pass the Bill that has been introduced, then of course they leave us with no alternative but to continue to stand the Bill or to speak on it from time to time, knowing full well that we believe the assessment legislation we have brought forward is jointly the desire of this House to deal with it through that vehicle.

**An Honourable Member:** You are putting things on the record.

**Mr. Cummings:** Actually that is the object of all of this, is it not, to put on the record pieces of information that we believe are pertinent for the public. I want to assure the Members, if they wish to continue with the other Bill brought forward by the Member for Springfield (Mr. Roch), I will not comment on or repeat the comments I made in a somewhat disparaging manner for the reasons that he may have brought that Bill forward.

Let us be serious about assessment reform in the Province of Manitoba. It is 30 years overdue, and certainly the Weir Report will soon be one decade old.

By the time the assessment reform is in place it will be a minimum of nine years since the Weir Committee first started to function.

I really do appeal to all Members of the Legislature to consider where we want to go in assessment in this province. If we are going to continue to go piece by piece, as this Bill would indicate, then I would suggest that we are not truly committed to the principles of assessment reform. What the Minister of Rural Development (Mr. Penner) has done, and I am pleased to say that I was part of the committee that has worked in the last year and a half, along with the Minister of Housing (Mr. Ducharme), the Minister of Northern Affairs (Mr. Downey), the Minister of Finance (Mr. Manness), who spent hours and hours going through recommendations and options from the Assessment Branch, to be able to bring forward a piece of legislation that has the best elements of fairness that we could put together.

Frankly, as the Minister of Housing has just indicated, given that we are in a minority situation, there are some people out there who suggest it is not necessarily the most intelligent thing to do to bring forward a piece of legislation of this nature, because taxation which flows from assessment is always controversial. But there is a vast majority of the Members of this Government who ran for office based on the feeling that it was time to get on with assessment reform in this province.

I see nods of agreement from the Liberal Caucus and I appreciate that, because those who have had council experience must understand, I am sure very well, the inequities that lie out there. There has been an unfairness. They spent a fair bit of time haranguing myself and the Minister of Housing (Mr. Ducharme) in the last Session of this Legislature regarding the condominiums, Res. 3, I believe they are referred to in the legislative process.

We know that we still do not agree on what the end result of those amendments could be, but as the head of the Condominium Association clearly put it in front of a committee of council, he said he would rather take short-term gain and worry later about the long-term pain. I am still of the opinion that in the long run, to be singled out the way they are, and given the rapid escalation of the value of these types of properties, it is the wrong decision. We will be seeing the request in the not too distant future that they be not singled out for that type of comparison or that they be given special status in relationship to how assessment is applied.

**Mr. Speaker:** Order, please. When this matter is again before the House, the Honourable Minister will have 10 minutes remaining.

The hour being 6 p.m., this House is now adjourned and stands adjourned until 10 a.m. tomorrow (Friday).