



First Session — Thirty-Fourth Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS
(HANSARD)

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fourth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIBERAL
ANGUS, John	St. Norbert	LIBERAL
ASHTON, Steve	Thompson	NDP
BURRELL, Parker	Swan River	PC
CARR, James	Fort Rouge	LIBERAL
CARSTAIRS, Sharon	River Heights	LIBERAL
CHARLES, Gwen	Selkirk	LIBERAL
CHEEMA, Gulzar	Kildonan	LIBERAL
CHORNOPYSKI, William	Burrows	LIBERAL
CONNERY, Edward Hon.	Portage la Prairie	PC
COWAN, Jay	Churchill	NDP
CUMMINGS, Glen, Hon.	Ste. Rose du Lac	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DOER, Gary	Concordia	NDP
DOWNEY, James Hon.	Arthur	PC
DRIEDGER, Albert, Hon.	Emerson	PC
DRIEDGER, Herold, L.	Niakwa	LIBERAL
DUCHARME, Gerald, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIBERAL
ENNS, Harry	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Laurie	Fort Garry	LIBERAL
EVANS, Leonard	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen Hon.	Virden	PC
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GILLESHAMMER, Harold	Minnedosa	PC
GRAY, Avis	Ellice	LIBERAL
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HEMPHILL, Maureen	Logan	NDP
KOZAK, Richard, J.	Transcona	LIBERAL
LAMOUREUX, Kevin, M.	Inkster	LIBERAL
MALOWAY, Jim	Elmwood	NDP
MANDRAKE, Ed	Assiniboia	LIBERAL
MANNES, Clayton, Hon.	Morris	PC
McCRAE, James Hon.	Brandon West	PC
MINENKO, Mark	Seven Oaks	LIBERAL
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ORCHARD, Donald Hon.	Pembina	PC
PANKRATZ, Helmut	La Verendrye	PC
PATTERSON, Allan	Radisson	LIBERAL
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ROCAN, Denis, Hon.	Turtle Mountain	PC
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URUSKI, Bill	Interlake	NDP
WASYLYCIA-LEIS, Judy	St. Johns	NDP
YEO, Iva	Sturgeon Creek	LIBERAL

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, November 22, 1988.

The House met at 8 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—HOUSING

Mr. Chairman, Harold Gilleshammer: I call this committee meeting to order to consider the Estimates of the Housing Department.

We are on item 2. Property Management and Landlord and Tenant Affairs (a) Administration: (1) Salaries—the Member for Inkster.

Mr. Kevin Lamoureux (Inkster): I was anticipating the Honourable Member for Logan (Ms. Hemphill) coming. Maybe we might want to wait until she gets in. If it is the will, we can continue. It does not matter.

Mr. Chairman: Is it the will of the committee to continue?

Hon. James Downey (Minister of Northern Affairs): With respect to the Member's request to wait for the Member for Logan, if there are pressing questions, when he gets to the Minister's Salary, then it can be answered at that time.

Mr. Lamoureux: I think she was almost finished her item.

Mr. Downey: There will be an opportunity for the Member to deal with it.

Mr. Chairman: Item (a)(1) Salaries—the Member for Inkster.

Mr. Lamoureux: I would just as soon wait. Give her another minute to attend. I would not mind.

Mr. John Angus (St. Norbert): Let me assure you and, through you, my honourable colleague that the Honourable Member for Logan (Ms. Hemphill) is sitting very passably in the House waiting for Cultural Affairs Estimates to begin.

Mr. Lamoureux: I think she had almost finished when we went over that particular part of the program. I am almost sure of it. That is what she said. She asked all her questions. She did not want to go line by line.

Mr. Chairman: 2.(a)(1) Salaries—pass.

(a)(2) Other Expenditures \$7,800—the Member for St. Norbert.

Mr. Angus: Mr. Chairperson, may I get more detail on this particular item?

Mr. Downey: What item?

Mr. Angus: On the item that we are talking about.

Mr. Downey: He wants on the \$7,800—Other Expenditures.

Hon. Gerald Ducharme (Minister of Housing): Operating expenses for the ADM's office.

Mr. Angus: Perhaps the Minister could give us an overview of what general expenses are covered in those additional operating expenses.

Mr. Ducharme: Page 29 explains it.

Mr. Angus: Okay, that is a good explanation. On item -(Interjection)- Perhaps the Minister could just follow through on that, Mr. Chairperson.

Mr. Ducharme: We have \$64,500 managerial and then we have \$22,500, bringing the total to \$87,000.00.

Mr. Angus: Is that all wages?

Mr. Ducharme: Yes.

Mr. Angus: Okay.

Mr. Ducharme: Then you have your Transportation, Communication and Supply and Services for the additional \$7,800.00.

Mr. Angus: That is your car with the cellular phone, is it?

Mr. Ducharme: I wish it was.

Mr. Angus: It is not?

Mr. Ducharme: No, it does not come out of here.

Mr. Angus: Oh. Okay, thank you.

Mr. Chairman: (a)(2)—pass.

2.(b) Landlord and Tenant Affairs: (1) Salaries \$2,114,500—the Member for Inkster.

Mr. Lamoureux: Looking at the Property Management aspect, what percentage of the social housing is under contractual agreement in regard to our non-profit housing?

Mr. Ducharme: You mean outside contracts for Property Management, what percentage we are doing?

Mr. Lamoureux: Just a rough estimate.

Mr. Ducharme: We do not have any with private right now, maybe one building. Maybe one building of all the units is under private, very, very little.

Mr. Lamoureux: Just to clarify this question, under a contractual agreement, it does not necessarily—I think you have 140-some-odd authorities. What I am trying to get at is, has there been a general trend in the past couple of years that we are seeing more community authority groups running our non-profit housing?

Mr. Ducharme: They run most of them. The only thing we do is we are accountable, they have to come to us for their costs. If they have a bill for repair or property management, they have to come right directly to MHRC. Most of our stock, 99.9 percent is administrated that way, all through the Housing authority.

Mr. Lamoureux: I guess the point was recognizing the importance of community association to actually run some of these housing projects gives a lot of merit for the program within itself, and that is why I had asked the question. I did not realize it was that high, 99.9 percent.

Mr. Ducharme: Maybe what you will do is, if you mean that we have private or ones we do ourselves, there are some through the authorities, the housing authorities, and then there are some we do directly ourselves. If you are wondering about the ones we do directly ourselves, that is a different percentage.

Mr. Lamoureux: Mr. Chairperson, I am looking for the ones that the authorities do.

Mr. Ducharme: Let us use about 80 percent to 85 percent is through the Housing authority. Then you would have your own authorities that own, like your co-ops. You know, your own co-ops, private co-ops would be another 15 percent. That type of thing that completely manages their own would be about 15 percent. But of the ones you are talking about, the Housing authority would be about 80-85 percent.

Mr. Lamoureux: What is a going percentage?

Mr. Ducharme: Our standard practice is let the Housing authorities run it.

Mr. Lamoureux: Okay, moving on to the Remoteness Allowances, it is just so I can learn a bit from the Estimates here.

Mr. Ducharme: Which ones are you talking about?

Mr. Lamoureux: That will be on page 34 of the Supplementary Information. You have \$23,500.00. Can I just get that explained to me what that would be?

Mr. Ducharme: These are for our employees in the northern areas. That is their allowance, that is where we put it. We have people who work up in Churchill, for instance, who work for MHRC. They get a northern allowance, and there is Leaf and The Pas, Thompson.

Mr. Lamoureux: And right below that, you have severance pay of some \$10,000.00. Is that someone who was released and, if it was, why was . . .

Mr. Ducharme: I am sorry, I was—

Mr. Lamoureux: Below that, you have severance pay of some \$10,000.00. I would anticipate that was because someone was released. Who was that person and the reason why?

* (2010)

Mr. Ducharme: You mean the amount of \$10,000.00?

Mr. Lamoureux: Yes.

Mr. Ducharme: It was a Housing authority person who was released and he was on an early retirement.

Mr. Chairman: (b) Landlord and Tenant Affairs: (1) Salaries \$2,114,500—pass; (b)(2) Other Expenditures \$229,700—pass; (c) Property Management: (1) Salaries \$1,156,000—pass; (c)(2) Other Expenditures \$261,500—pass.

Resolution No. 94: Resolved that there be granted to Her Majesty a sum not exceeding \$3,856,500 for Housing, Property Management and Landlord and Tenant Affairs, for the fiscal year ending the 31st day of March, 1989—pass.

3. Program Delivery: Provides for the administration and management of activities related to the construction of new and the renovation of existing housing stock, including private, public and non-profit sectors; provides residential and multi-unit mortgages, subsidies and grants to low income homeowners and renters.

(a) Land and Mortgage Services: (1) Salaries \$504,200—the Member for Inkster.

Mr. Lamoureux: Mr. Chairperson, to the Minister, from what I understand, this is the area in which Osborne House would be receiving some of its fundings. I was wanting to know if maybe you could let me know what percentage of the funding is the province putting in for Osborne House and what percentage from the federal Government?

Mr. Ducharme: We can only give you an estimate, but it is about 60/40. Federal pays 60.

Mr. Lamoureux: I understand that the federal Government had put aside, I believe it is, around \$40 million for shelter allowances. Are there any other projects that we are looking at here in Manitoba in terms of creating more spaces in this particular area?

Mr. Ducharme: The funding is not coming out of that program that you are referring to and we have no other programs that we are using it for. The funding is not coming out of that program. The 60 percent that we are talking about is not coming out of that. Ours is coming out of the Social Housing Program, not out of that program. That was a new announcement completely. I do not know who has applied under our Government for that, but we have not made any applications under that program.

Mr. Lamoureux: The federal Government did make monies available for this type of shelter. Has the provincial Government applied for any of that money?

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Mr. Ducharme: That program is restricted, I believe, to private groups and they are now having the proposal call. What you do is they will have a proposal call and anybody who is interested in that particular program will apply to that. That is Project Haven.

Mr. Lamoureux: Are there any other facilities that are going to be constructed in this fiscal year?

Mr. Ducharme: We have something right now, the Native women's shelter, that is being proposed and we are negotiating right now. We have an offer in right now. I would not want to talk too much about it but we are working with the Natives.

Mr. Lamoureux: Do we have a target date in terms of the opening of Osborne House? I realize you did have a press release but I cannot recall seeing a date.

Mr. Ducharme: After we renovate everything, we are looking at probably June 1. The city has granted their permit, I think, until the end of May under the old facility.

Mr. Lamoureux: Moving on to the managerial section which is page 38 on the Supplementary Information, we have again a substantial decrease in the managerial staff, down from five to three. I was wondering maybe if the Minister can inform me why the decrease was warranted.

Mr. Ducharme: You remember earlier when you talked about your charts that we were confused at the start. A position had been removed and there were now three columns. That is the ADM, and there was another position. It was the manager of Land Development that they also suggested was not required at the time. Those are the two positions.

Mr. Lamoureux: Mr. Chairperson, if I understand correctly then, we are still looking at three people in the Land and Mortgage Services area. I would imagine they still have the same type of workload. The question then would be is why were they there in the first place? Is there really a need for them to be there in the first place?

Mr. Ducharme: First of all, your ADM, you saw the structure of what was developed. The previous Government felt that those three ADMs could sort out their level down and remove them into three ADMs. The other reason is the manager of land development, we are not actively involved in land development, so it was a retirement and they felt the position should not be filled. So really nobody else is picking up for him because we are not in the land development business.

Mr. Lamoureux: So then the previous year we would have been in the land development area. But from what I understand right now then is that this was actually done through the previous administration.

Mr. Ducharme: At the time there was a retirement, so they did not feel that position should be filled.

Mr. Chairman: 3.(a)(1) Salaries \$504,200—pass; 3.(a)(2) Other Expenditures \$2,513,800—pass.

3.(b) Delivery Services: (1) Salaries—the Member for Inkster.

* (2020)

Mr. Lamoureux: Just to again get some clarification on a question or two in this particular area, in regard to the Delivery Services Branch, in many cases, from what I understand, you have standards that have to be met if renovations want to be conducted at any of the non-profit housing areas. A couple of months back, I received a submission from Columbus Courts and they had pointed out that they wanted some work done in their block. The windows were actually very close to the ground and, because of that, they had to have a certain number of inches for the window spacing and they had to have bars, I understand, go in front of the windows.

So the windows were really, in many opinions, useless. There are strict standards and we recognize the importance of having these strict standards. My question would be, when do we review these standards? What is the process, if there is something that common sense would dictate that there be an exemption, and a private designer would be able to go ahead and put in the appropriate windows or whatever it might be?

Mr. Ducharme: I am instructed that the problem you are talking about is city code. That is a city code standard.

Mr. Lamoureux: So then they would have been able to go ahead as far as the province was concerned?

Mr. Ducharme: That is a hypothetical question because we usually go along with the city standards. Apparently at the time though, it was a renovation program and so they are substandard. I guess there was some problem and some, would you say, communication problem with what was standard. Apparently, we provided the air conditioning units in those suites in which they had the problem.

Mr. Lamoureux: Okay. I am moving on to another educational thing for myself. On page 40 of the Estimates we have, "less allowance for staff turnover." Again, it is a small figure but could you just explain to me what that means?

Mr. Ducharme: That is a provision for, I guess, a time lapse when you do have staff turnover. That is a provision that is allowed in there. In other words, there will be times when you will not have all your vacancies filled, all your positions filled so that was an allowance that was put in.

Mr. Jay Cowan (Churchill): I would ask the Minister if there are any changes being considered with respect to the Rural and Northern Housing Program which is mentioned under the Activity Identification on page 39.

Mr. Ducharme: Are you asking if there is a change in what occurred the year previous?

Mr. Cowan: Actually it is a twofold question. That would be one part of it. The other part would be, are there

any changes currently being considered by the Government?

Mr. Ducharme: The only one we referred to earlier, waiting for that, you know, the authority and the evaluation of the CMHC. Once we receive that, well then consideration can begin.

Mr. Cowan: Would this be where the RRAP Program would fall, within the Activity Identification of this particular component?

Mr. Ducharme: It is under Client Services, where the RRAP Program is.

Mr. Chairman: 3.(b) Delivery Services: (1)—pass; (b)(2) Other Expenditures, \$125,400—pass.

(c) Client Services: (1) Salaries \$1,583,400—the Member for Inkster.

Mr. Lamoureux: Under the RRAP program, from what I understand, it is administered through the municipal and federal Governments. According to what you have in the Supplementary Information, RRAP in urban centres will be administered, commencing 1989, on an annual basis through the province. Could I just get some clarification on that?

Mr. Ducharme: Right now, through the urban one, we do not have that approval by CMHC, so we have not proceeded. We are waiting to reach an agreement with CMHC.

Mr. Lamoureux: CMHC then is withdrawing from the program delivery? Do we know that for sure?

Mr. Ducharme: We would be taking over the primary delivery of it. CMHC would not be withdrawing. They still would be providing the funding. We would have to be the delivery agent and we are still negotiating that.

Mr. Lamoureux: Even at that, we are still looking at a substantial increase in the administrative cost. We imagine there will be an increase but it is something that the province is going to have to look after. Are we taking it into account in this budget?

Mr. Ducharme: Before they were paying us a delivery fee, so I do not think it is really going to change now. I think we can charge it through the program, through CMHC funding. I think we can charge whatever that delivery fee is to CMHC. They will still have an allowance for delivery of that somewhere along the way. So there will not be a real major change in our expense of delivery. That is why it does not show a great amount of difference in that particular column.

Mr. Cowan: Is there any change contemplated with respect to the delivery of the rural RRAP from the present circumstances?

Mr. Ducharme: No.

Mr. Cowan: Is there any change contemplated with respect to the guidelines for the RRAP program?

Mr. Ducharme: CMHC apparently has done an evaluation. They are supposed to be issuing their new guidelines if they are changing. We have not heard of them yet.

Mr. Cowan: Is CMHC sharing those evaluations with the department?

Mr. Ducharme: I understand that they will announce them in January if they are their guidelines.

Mr. Cowan: I thank the Minister for that information. The other question was, is CMHC sharing the evaluation with the department?

Mr. Ducharme: They have consulted but not shared those.

Mr. Cowan: Will they be sharing an evaluation with the department?

Mr. Ducharme: We hope so.

Mr. Cowan: If CMHC shares the evaluation with the department, would the Minister commit to sharing that with the Members of the Opposition?

Mr. Ducharme: There should not be any problem sharing this.

Mr. Cowan: I have been asked to ask this question, so if it is not entirely correct in the way in which I express it, then I apologize in advance. It is my understanding that the guidelines for the RRAP program include a \$15,000 cutoff. Is that the case?

Mr. Ducharme: Apparently, it varies by area and family size.

Mr. Cowan: Perhaps the Minister can be a bit more explicit.

* (2030)

Mr. Ducharme: Let us take an area. The guideline cutoff could be at \$15,000 for a single. It could be \$26,000 or \$27,000 for a family.

Mr. Cowan: I have been informed again, and I seek confirmation, that the guideline works as follows: under \$15,000, one is acceptable under the program; above \$15,000, let us say, in the instance of a single, one is not accepted into the program. In other words, it is an absolute cutoff and there is no sliding scale which moves one in and out of the program on a prorated basis. Is that correct?

Mr. Ducharme: That is correct and we have objected to it. We do not agree with it either.

Mr. Cowan: That is the point I wanted to make. The previous administration, I understand, had this item put on one of the agendas for the provincial Ministers' meeting. The provincial Ministers had come alongside with respect to the item and agreed that the cutoff

should be on a sliding scale and not an arbitrary figure where, if you are \$1 over the figure, you are out of luck and, if you are \$1 under, then you are fully entitled to the program. The other provincial Ministers, I understand, supported that. CMHC was going to look at that.

The guidelines that they are coming out with, we are told, by January 1, are they anticipated to include a sliding scale on a prorated basis?

Mr. Ducharme: The only thing I can say to the Member is it was part of the terms of evaluation. We already mentioned that we objected to those scales, so you know where we are coming from on it.

Mr. Cowan: Given the acceptance of the present administration, of the previous administration and the other provincial Ministers' approach to this, I would encourage the Minister then to use whatever time is available to the Government between now and the time that the final guidelines are announced to once again encourage the federal Government to rearrange the guidelines so that there is a sliding scale and so that it is a more equitable and fairer system. In doing so, I think he can probably say that he has at least the support of the New Democratic Party Opposition, and I will let the Liberal Opposition speak for themselves on this particular issue.

It is one that is arbitrary and unfair at the present time. It is an issue that was being worked on previous to the change in Government, and it is one that we would like very much to see resolved under the present administration so that the fairness is put into the system and the arbitrary cutoff is no longer a problem for families who are making over the limit by \$1 or even less in some instances.

Mr. Ducharme: As I said, it is part of the terms of the evaluation. We have approached CMHC on this particular problem. We have not deviated at all from the previous Government on that demand of changing it and we will keep pushing forward. You say, to get together before January. Well, we are pushing for it all the time in regard to that and we hope that CMHC will consider our opinion.

Mr. Cowan: One last question and then a comment, has the Minister had an opportunity to discuss this item directly with the Minister of Housing at the national level before or even during the campaign?

Mr. Ducharme: No, not during the campaign.

Mr. Cowan: Then a comment I would make to him and a suggestion that is being expressed in a constructive fashion is the Minister knows that when a new Minister takes over a portfolio there are certain things that are waiting him or her on their desk, and I would hope that this Minister would take advantage of the new Cabinet and the relationship which they said they have with their federal counterparts and federal colleagues who are now the new Government and advise them of our very strong wish that this particular issue and a number of other issues which we talked

about earlier with respect to the northern housing be resolved very quickly and very positively in a progressive fashion. I would hope he would take this opportunity to, at the very least, write to the Minister and let him know that this is still an important consideration of the Government of Manitoba. The recent change has not changed our position and we would like to see this matter resolved progressively in the near future.

Mr. Ducharme: I do not know whether the previous Minister, when they had their concerns, wrote the Minister at the time, but I can certainly tell you that unfortunately McInnes was the Minister and then he got a change of portfolio and now we have a new Minister. So this will be probably our third Minister in the last—what?—four months. I am sorry about the previous Minister McInnes because he did have a good relationship with the Ministers across Canada. Sure, I will write to whoever the Minister is who is appointed.

Mr. Chairman: (c)(1) Salaries \$1,583,400—pass; (c)(2) Other Expenditures, \$347,500—pass.

(d) Grants and Subsidies \$7,527,100—the Member for Inkster.

Mr. Lamoureux: There are many families that reside both in urban and rural centres that rely on assistance when it comes to being able to pay for their accommodations. One of the programs that is there to help alleviate the problems that they do have is the SAFFR program. In looking at the figures, they are looking at a deduction from last year from \$1,897 to \$1,760.00. I was wondering if the Minister can answer why the decrease is there.

Mr. Ducharme: Apparently, the previous year was an overestimate. We did not the year before and this is a more realistic amount.

Mr. Lamoureux: Would it then be safe to assume that the department has not been receiving more applications or, the applications they have been receiving, the families were not entitled to qualify for it?

Mr. Ducharme: I can say that there are probably more people receiving benefits this years in numbers than there were last year. They felt that the estimate that they had last year was overestimated. There are more people receiving benefits as a result of this year.

Mr. Lamoureux: Are there more families right now that are on any type of waiting list to get into the program?

Mr. Ducharme: There is no waiting list under this program.

Mr. Lamoureux: So then families in need of this particular program will be able to get it if they qualify?

Mr. Ducharme: Yes, we are meeting their needs.

Mr. Lamoureux: I want to move on to the Co-op HomeStart Grants. Again we see a large deduction

from the previous year from 262,000 to 180,000.00. It gives a brief explanation on it. I was wondering if the Minister would elaborate on it, please.

Mr. Ducharme: What we are saying is again that Co-op HomeStart Grants was an estimate and we felt it was an overestimate that year. This is a more actual figure that they are using, the \$180,000.00.

Mr. Lamoureux: The Adjusted Vote then, that is not necessarily meaning that they spent that money?

Mr. Ducharme: Correct.

Mr. Lamoureux: Again, realizing that the \$262,000 under Adjusted Vote for 1987-88 was not actually spent, yet it shows in the Adjusted Vote that it was?

Mr. Ducharme: You want the actual, we will give you the actual.

Mr. Lamoureux: Can I have the actual, please?

Mr. Ducharme: If you want, we can go on and then I will pull that figure out for you.

* (2040)

Mr. Lamoureux: I guess I was always of the opinion an Adjusted Vote was in fact the actual amount spent. I could be wrong on that. It was an overestimate again just like the SAFFR program?

Mr. Ducharme: That is correct.

Mr. Angus: Obviously, Mr. Chairperson, via the Minister, the Adjusted Votes were authorized either by your department or your predecessor and perhaps you could give us an explanation of the make-up of that Adjusted Vote.

Mr. Ducharme: I can give you the amount for the cooperatives, \$134,300.00. That was the actual expenditures if that is what you are asking.

Mr. Angus: I appreciate that the expenditure of \$134,000 was in that department, but what area did you miscalculate in and what caused you to require substantial additional funding to make ends meet?

Mr. Ducharme: Basically, it is taken on historical patterns of applications that would be normally required under co-op housing. That amount was not used. They just did not get the request that they had before.

Mr. Lamoureux: Just before I pass it on to the Member for Churchill (Mr. Cowan), I was wanting an update on the Shelter Allowance for Elderly Persons. Is it safe to assume that there is no waiting list for that one too?

Mr. Ducharme: None.

Mr. Lamoureux: Okay, fine.

Mr. Cowan: On the co-op housing, Mr. Chairperson, the Minister indicated that last year \$134,300 was the amount that was actually spent. Is that correct?

Mr. Ducharme: Those are the start-up grants.

Mr. Cowan: Are there applications currently before the department for that program that have not been allocated?

Mr. Ducharme: Yes, we are still processing some.

Mr. Cowan: Does the Minister have any idea as to the global amount of what is being requested under this program?

Mr. Ducharme: No, we do not have it.

Mr. Cowan: I find it somewhat difficult to reconcile what I know to be a large waiting list for co-op housing and the fact that we were underspent according to what was estimated to be spent last year. Perhaps there is a logical reason for it that is escaping me right now. My sense is, when we left the Government, there was a large waiting list for applicants for co-op housing, and that there were also coming on stream under the program new applications all the time. Is that not the case?

Mr. Ducharme: To explain that, they are at various stages. That is your start-up grant so there will be some coming on stream if some have land problems, etc. That represents 23 cooperatives, that start-up grant of \$134,000.00.

Mr. Cowan: How many are anticipated for this year?

Mr. Ducharme: They also are made aware that could not be all the amounts. That is just the amounts that were spent up to that time of \$134,000.00. There could be further grants along the way as these co-ops come forward, and you know the procedure as they come forward for their funding.

Mr. Cowan: This is the money, if I understand it correctly, that is just for the start-up grants and the subsidization money comes next under transfer payments to MHRC?

Mr. Ducharme: That is correct.

Mr. Cowan: Back to my earlier question, how many applicants, an approximate figure, are before the Government now with respect to this program?

Mr. Ducharme: If you compare to last year, that would be 20 groups at \$9,000 a pop is what it would be. That is why the \$180,000 is used. It can work back from there. That is what we figure about 20.

Mr. Cowan: How many applications do you actually have now that are held over?

Mr. Ducharme: I will have to take it as notice. I do not have it. I will get back to the Member.

Mr. Cowan: Maybe the Minister could come back with that information. It would be helpful.

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The federal Government has, over the past little while, been conducting an advertising campaign with respect to applications for co-op housing. Has the federal Government been working with the department with respect to those advertisements which were really encouraging groups to come forward to make application for co-op housing?

Mr. Ducharme: That is 100 percent funded by the province.- (Interjection)- That is 100 percent federal. It is not through here.

Mr. Cowan: Those co-ops, or those groups, if they were to want to structure a co-op, the funding of this program would be available to them?

Mr. Ducharme: They can. However, if it is available through CMHC, then they do not get it from us. They can get their start-up grants from CMHC.

Mr. Cowan: They can obtain a similar grant from CMHC?

Mr. Ducharme: Some of them will get it from us but some of them will get it from CMHC.

Mr. Cowan: Is the present Government considering any changes to the Co-op HomeStart Program?

Mr. Ducharme: Are you talking about under the subsidies?

Mr. Cowan: Both, or all three phases, actually.

Mr. Ducharme: Well, we are just going through that procedure now. We are just going through all our policies for '89. We are just submitting them now, and we were just going through that procedure now. So we are considering all our programs and evaluation of them.

Mr. Cowan: Has the Government done an evaluation on the Co-op Homestart Program?

Mr. Ducharme: Under your Peat Marwick Study, that is part of their terms of reference, so I am sure that we will get some information when they complete that study also.

Mr. Cowan: When will that be completed?

* (2050)

Mr. Ducharme: Probably before the first of the year, some time before Christmas.

Mr. Cowan: Is it my understanding that those studies in their entirety will be made available to Opposition?

Mr. Ducharme: That would have to go through the Minister of Finance (Mr. Manness) and through Cabinet first, and I do not know what they are going to do with it.

Mr. Cowan: Would the Minister have any objection to that study being made public?

Mr. Ducharme: I am just saying that would be something that the Minister of Finance, who is actually conducting the study, what he is going to do with this information, I believe, would be his priority, not mine.

Mr. Cowan: I appreciate the locus of authority. However, I am asking the Minister a question from his perspective as Minister of Housing. Would he see any difficulty if the information contained in the report on housing itself was made available to Members of the Opposition?

Mr. Ducharme: I do not even know the information they have gathered yet, so I would not want to answer that until I see the information they have gathered.

Mr. Cowan: What sort of information would the Minister not want to make available to Opposition Members?

Mr. Ducharme: All I am saying is the Minister of Finance (Mr. Manness) is the one who asked for the study and they are doing the study and when the information comes forward, and every Government deals with it at that time.

Mr. Cowan: No, the Minister said more than that. That is what he said the first time. The second time he said that he had not seen the report. He does not know what is in it yet so he does not know whether or not he would want to make it available. Now, what that says to me is that the Minister is concerned that there could possibly be some things in that report that he would not want to make available or some information in that report that he would not want to make available to the Members of the Loyal Opposition.

So my question to him, and it is a philosophical question, I do not want him to provide the specific detail but, philosophically, what could be contained in an evaluation of a public program such as that? What information could be contained in that report that is undertaken at taxpayers' expense that the Minister would not want to make available to Members of the Legislative Assembly, who have a responsibility to consider all the information available to them when passing the Estimates?

Mr. Ducharme: I have no problem. I have never tried to hide any information. All I am saying to you is when the information is gathered then it goes to the Finance Minister (Mr. Manness), who actually has requested and gathered that through Peat Marwick. At that time, it will be decided what is to be done with the information.

Mr. Cowan: Did the Minister of Finance (Mr. Manness) consult with the Minister of Housing when developing a terms of reference for that study?

Mr. Ducharme: They went through briefly with the terms of reference.

Mr. Cowan: How briefly?

Mr. Ducharme: Oh, he discussed with the Minister approximately what they were doing.

Mr. Cowan: The Minister did not feel slighted by such a preliminary and brief overview of an evaluation which

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would have such a tremendous impact on his department?

Mr. Ducharme: No, because I feel that whatever you are doing, if you can find more monies available somehow to provide the people of Manitoba with better housing, that is my first job as Minister and I will do anything I can to probably provide a better sum of money and better facilities for the people. I have no problems with someone doing an evaluation and a study. I do not think anyone should ever be—if you are afraid of a study, then there is something wrong with the individual who is the Minister at that time.

Mr. Cowan: Quite the contrary. I was not suggesting that the Minister should be afraid of a study. I am suggesting that the Minister should embrace the study and, in doing so, should want to involve his department and himself in developing the terms of reference, in developing some of the criteria which are going to be used by the firm in its evaluation and being a full participant in an evaluation which is going to have an impact on his department. So I am a bit concerned that there was not more than just a brief consultation at the ministerial level on this particular issue.

I am taking from what the Minister said earlier. I would ask him to correct me if I am wrong, that he himself has no objection to making the information that is contained within the evaluation available to Members of the Opposition. In other words, on a personal basis, he is not afraid of any information that would be contained in there. He would be supporting the provision of that information when discussing it with the Minister of Finance (Mr. Manness). He would be recommending that it be made available to the Members of the Opposition. Is that a correct assumption of what he told me earlier?

Mr. Ducharme: First of all, the department was consulted with the Department of Finance. The department was consulted by the people doing the consultant work. I am not afraid of any information.

Mr. Cowan: With that courageous stand, the Minister would be recommending to the Minister of Finance that information be made available to Members of the Opposition?

Mr. Ducharme: I am saying I am not afraid of any information.

Mr. Chairman: Shall the item pass?

Mr. Cowan: No, please do not do that.

The Minister has indicated that he is not afraid of any information. What he obviously is afraid of is making a commitment to this committee that is responsible for reviewing his Estimates to provide Members of the Opposition with a copy of that evaluation which has been structured to determine the effectiveness of the Government's programs in this area and the effectiveness of the Government's expenditure and policies in this area to Members of the Opposition directly. That is what he is afraid to commit to right

now. I wonder why he would be reluctant to say, yes, I will provide that information to the Opposition at this point in time if in fact he has no fear about what that information might be?

Mr. Ducharme: That is the responsibility of the Minister of Finance.

Mr. Cowan: Hopefully, the Minister of Finance (Mr. Manness) would operate on the basis of a collective decision that is made by Cabinet. The Minister cannot just pass the buck off to the Minister of Finance and say that is his responsibility only. He has a responsibility to provide advice and suggestions to the Minister. I would suggest that if they do want to earn what they say their reputation is and that is as an open Government and, quite frankly, I disagree with all their pronouncements of their open Government based on their reluctance to provide information of this sort but, if they do want to earn that reputation, then they are going to have to do something positive and not just pay lip service to openness in the provision of information and freedom of information and providing data to Members of the Opposition and members of the public.

So I am quite concerned that the Minister will not take a stand on this. I am quite concerned that he will not stand up for the provision of information to Members of the Opposition. I am quite concerned that he is, while not endorsing explicitly a closed-door policy, he is certainly endorsing implicitly the possibility of a closed-door policy. I do not think it will do him any good. I do not believe it will do his Government any good. I think it is a wrong-headed approach. I think, if they are going to start changing programs on the basis of evaluations which are paid for by taxpayers' money, they should be prepared to share those evaluations with the taxpayer through this vehicle.

Mr. Ducharme: Of all people to talk about open Government, I remember last January when you people had a very closed policy, when over a weekend you changed complete Autopac premiums over a weekend, changed your guidelines, changed your whole theory of operation when you are dealing with Autopac and dealing with 700,000 people out there, and you talk about open policy. You are just completely ridiculous. You threw the whole Autopac situation out the window, you disregarded any consultation with anybody. You just threw it out the window. So I am flabbergasted that you would even talk about anybody else who decides to have—the Minister of Finance (Mr. Manness) has decided to have these consultations.

The consultation with the department, which you people have probably done in the past—I believe you did in the year '82. You did it in '82; you did the same thing, you went through the Department of Housing in '82. So what I am saying to you is that the Minister of Finance, that will be his responsibility, and that is what I am saying to you tonight.

* (2100)

Mr. Cowan: Two quick points, the Member has a selective memory because, if he called upon his full

capacity to remember events as they unfolded, he will also remember that we provided them with full copies of consulting reports, that we provided critics with materials that were normally materials that were kept confidential because of parliamentary procedures and Cabinet secrecy rules, but we provided it to critics on a confidential basis so that they would have full information available to them when trying to review some of the things we were doing. On occasion, we denied access to material for the same reason. However, we did not, to my knowledge, deny any access to this Minister when he was a Member of the Opposition with respect to that 1982 housing study. I do not believe we denied access to anyone who would have asked for the study. I do not believe Opposition asked for the study, to be quite frank.

I know that in my own department, and I can speak from personal experience—and if either the Member for Morris (Mr. Manness) or either the Member for La Verendrye (Mr. Pankratz) were here, I think they would substantiate it. Maybe the Minister would do himself a favour by having a discussion with those two Members. When they asked for information, we provided them with information. We did so because we felt it was important for Opposition to have the information available to them to make good decisions, provide constructive criticism and to provide constructive suggestions as well.

I just have to remind the Minister that when he is seeking back into his own memory that I remember what his Government said when they ran during the last election. They said they were the freedom-of-information Government. They were the Government that would provide information. They were the Government that were going to be open. They were the Government that were going to open the closed doors. Now when we ask him for one evaluation which is being conducted on this very important area, he has the audacity to say he is not afraid to provide information, but he is certainly afraid and he shows that fear to provide a commitment to provide that information. It runs contrary to all the fine-sounding promises that they made to the public just a few short months ago.

Mr. Ducharme: It is unfortunate the Member for Churchill (Mr. Cowan) likes to put words in other people's mouths. I am getting used to it. I have only been here since '86. I do not know what they did in '82; I was not here in '82. All I am saying to you is it will be the responsibility of the Minister of Finance (Mr. Manness) to do whatever he feels and when he feels with the information that they are gathering.

Mr. Chairman: Shall the item pass? (Agreed)

Resolution No. 95: Be it resolved that there be granted to Her Majesty a sum not exceeding \$13,290,300 for Housing, Program Delivery, for the fiscal year ending the 31st day of March, 1989—pass.

Item No. 4. Transfer Payments to the Manitoba Housing and Renewal Corporation, Total Operating Expenditures \$48,097,300—the Member for Inkster.

Mr. Lamoureux: Mr. Chairman, we are really having a tough time with this particular portion of the Estimates

here. Maybe I am hoping I will get some clarification on it. The transfer payment to MHRC is now \$26,885,200.00. The question I ask is that is actually a 3.6 percent decrease from the previous year. The reason I have been given that decrease happened is because of lower interest rates. The question that I would ask of the Minister, through his department officials here, is how could we have a projected \$26,885,200 for the '89 year ending March 31 while, in the previous budget, the same transfer payment was estimated at \$27,245,000.00? This all takes place in the same year, the same Estimates process, and maybe I can get some clarification to how to apply the change.

Mr. Ducharme: If you want to look at page 45 and go down to the \$1,886,100, go to \$1,260,000, there is a difference of \$600,000 right there in the particular mortgage interest differential.

Mr. Chairman: Just a correction I would like to make on the sum that I read into the record, it is \$26,885,200.00.

Mr. Lamoureux: Mr. Chairperson, that amount, the question is how can the department forecast \$27,245,200 and then two months later forecast \$26,885,200.00? That is some \$400,000 difference and it all took place, I would assume, in a four-month period.

What I am looking at is from the previous administration their budget proposal which shows a transfer payment to Manitoba Housing and Renewal Corporation of some \$27,245,200.00. Now, four months later for the same year ending March 31, we are at \$26,885,200.00. The interest rate was given the reason to why we see this deduction. The interest rate was surely the same between the four months when both of these were drafted up. How can the department come up with one figure substantially higher three months previous?

Mr. Ducharme: First of all, I would not have been involved in the first figure you are talking about, you realize that. The next one is that when we redid the Estimates procedures, when we came in, is that they felt that it was a revisal. They probably underestimated the cost of that mortgage difference and, as you appreciate where it comes from, five years ago when the mortgage rates were higher, these are the subsidies that were put in place—mortgage differentials. So what they are saying is at the time that we took over the Estimates and when we reviewed them under our administration, we found that anticipation was lower and maybe the rates had fallen, but we redid it when we came in. I cannot argue for what the figures were of 27,245 but, when we came in, the amount that we figured the cost would be as a result of the lower mortgage rates coming up were 26,885.

Mr. Lamoureux: This is a rather substantial amount of money for—I find it very hard to understand how it can change in the same circumstances.

Mr. Ducharme: Maybe our administration was a little more effective on what we were saving money. So, in

this particular case, I will take the credit for the saving because we will have to take the credit for when things are not going that well. I will take the credit for the savings.

Mr. Chairman: Order, please.

Mr. Lamoureux: I guess I am really looking at how the figures were actually arrived at. If it was 27,245 and then changed to 26,885, I am curious to know in the Estimates and in the Supplementary Estimates where were the cuts, in which particular area, like we have a list of 1-2-3-4-5-6, of seven different areas.

Mr. Ducharme: We redid the budget completely and went through cuts everywhere.

Mr. Lamoureux: In order to save time, Mr. Chairperson, I would maybe ask that I could receive a copy of actually where this 27,245 came from.

Mr. Ducharme: We will get that from the previous administration's files. I cannot tell you because we redid our own when we came forward and we went to the Estimates process.

Mr. Chairman: Shall the item pass?

Mr. Harry Harapiak (The Pas): Has there been a change in policy for people who are in MHRC homes if they are going to now purchase them? Has there been any change in policy because, out in the community, there seems to be misunderstanding that they felt they were in the units that they could eventually purchase and now they are saying that they cannot purchase them.

Mr. Ducharme: No, there is no change.

Mr. Harapiak: Is it the policy that in the areas where people were in rental units and then they could purchase them, it is the same as it has been all along?

Mr. Ducharme: They can purchase them. That has not changed but there is a policy they must have made the 180 payments in order to qualify to purchase these homes. That has not changed.

Mr. Harapiak: Has there been any change in the RRAP Program for qualifications in that area?

Mr. Ducharme: Not in the last couple of years and not in the last six months.

Mr. Angus: Is that 180 months of payments? Fifteen years?

Mr. Ducharme: It is a 15-year rent to purchase.

Mr. Angus: At the end of 15 years, do they own it or do they then have the opportunity to buy it?

Mr. Ducharme: A \$1 transfer.

Mr. Angus: Thank you.

* (2110)

Mr. Chairman: Resolution No. 96: Resolved that there be granted to Her Majesty a sum not exceeding \$26,885,200 for Housing, Transfer Payments to the Manitoba Housing and Renewal Corporation, for the fiscal year ending the 31st day of March, 1989—pass.

Item 5. Expenditures Related to Capital, (a) Home Repair Programs, \$130,000.00—pass.

5.(b) Canada-Manitoba Winnipeg Core Agreement and Renewed Agreement: (1) Core Area Initiatives Programs, \$1,192,000—the Member for St. Norbert.

Mr. Angus: Mr. Chairperson, it makes it difficult when the Core Area Initiative contributions by one of the tripartite partners is fragmented. I have no doubt, Mr. Minister, that the investment is sound and is your department's share, but does this show up again in the Urban Affairs budget in the contributions there, and what other fragments of this—how dispersed is this investment that you are making?

Mr. Ducharme: It will show up in the Urban Affairs budget, but it is a gross amount. You would not be able to specifically point it out in that particular—

Mr. Angus: Mr. Chairperson, does it show up as a footnote then, as an explanation in the Urban Affairs?

Mr. Ducharme: We would have to find out. When we go into Urban Affairs, maybe you could make a point and I will bring it up with the department when we get to Urban Affairs. Are you talking specifically the \$1.192 million?

Mr. Angus: Mr. Chairperson, I am speaking of that specific amount, yes. Also I am sure the Minister can appreciate that if there is going to be an intelligent discussion about the budget investment by the province to something like a Core Area Initiative, we should have all of the figures and all of the investment in one place that we can look at it and discuss it.

Mr. Ducharme: Page 153 of the Urban Affairs budget, it shows this exact payment. Payments to other provincial departments from Urban Affairs, \$1.192 million. So there is that means of communication on that.

Mr. Chairman: Item 5.(b)(1)—pass; item 5.(b)(2) Less: Recoverable from Urban Affairs, \$1,192,000—pass.

Resolution No. 97: Resolved that there be granted to Her Majesty a sum not exceeding \$130,000 for Housing, Expenditures Related to Capital, for the fiscal year ending the 31st day of March, 1989—pass.

Mr. Chairman: Reverting back to Section 1. General Administration, (a) Minister's Salary, \$10,300, this time, the staff will have to leave the table.

Mr. Lamoureux: Just before we pass, I just want to make a couple of very brief remarks. First, I must express my dismay and somewhat surprise on the

accuracy of these particular Estimates. I would have anticipated that it would have been a bit better presented in terms of the MHRC. I refer back to the Infill Housing Program and so forth. I think it is important and that is why we have the Estimates process set in a manner that it does, then we can ensure that the monies allocated are spent in a proper and good fashion. After all, this is the taxpayers' money that we are spending. We should be taking that into account.

I did not comment as much as I would have liked to on the housing in the northern part of our province and in the rural aspect of non-profit housing outside of Winnipeg and, including in that, we would comment on Brandon. In many cases, as the Honourable Member for Churchill (Mr. Cowan) had pointed out really, the poor condition of the housing in the north end of this province. I would hope that we would take some initiative or we would like to see some initiative from this particular Government in addressing that particular problem.

I was a bit disappointed in the Landlord and Tenant Review Committee. I would like to have seen some legislation come forward this time through. I know there are many, many tenants in Winnipeg, outside of Winnipeg, that would have been happy—and landlords also. It is unfortunate that it was not presented but we will anxiously await it for the next Session. On that note, I will conclude my remarks. Thank you.

Mr. Ducharme: I appreciate the comments. That is why we have the Estimates process. That is why we go through the review.

The only thing I can say is that we again, our Government, is disappointed probably in a lot of the housing that was conducted by the previous administration. Our job is to correct and rectify some of those problems. I am not saying the housing industry in Manitoba is going to be an easy one because we now have a problem. I mentioned in my opening remarks that not only do we have the housing that was done in the early Seventies, now we have the problem of maintaining them that is going to add to the cost. It is going to be a very, very heavy cost. That is something that probably a lot of people maybe do not think of when they build the type of housing they have built in certain areas. I wish—and maybe I will take the Member up to the housing that they built in Churchill. I was flabbergasted, just flabbergasted, that anybody would build houses like that they put up there.

You did mention The Landlord Review Act. I did mention earlier to you that we had hoped—but the problem is that with the size of that particular review that was filed, we felt to make sure that we did an adequate job. You started bringing in legislation that needs to be corrected because it is not completely done right. Also, we needed to have some consultation with the various groups that came forward. We felt that the proper way to do that was careful consideration by a committee that we set up with Cabinet to review the housing core ideas and the different ideas that were to be brought forward. There a lot of good ideas, because the group that did come forward, as you said earlier, was a cross section of tenants and landlords.

They all got together and they all did a very, very remarkable job as a committee.

However, we felt that if you are going to introduce such a large, large type of legislation and a major piece of legislation that will affect probably 200,000 tenants in the City of Winnipeg that let us make sure we review it. Let us make sure that we dot the "i's" and cross the "t's" and consult a little bit. Remember, the people of Manitoba elected a different Government. They expect that Government to review all legislation, not just to do whatever the legislation was on the books, so I appreciate criticism.

* (2120)

I too am disappointed. I would have probably loved to have had it through this Session because it would certainly save me a lot of work the next one, but I still think that the proper way to do it is after very much consideration.

Mr. Elijah Harper (Rupert's Island): Yes, just a brief comment for a couple of minutes, most of my colleagues, I guess, already have asked a number of questions to the Minister and I was unfortunately unable to be here due to the weather. I am sure a lot of my colleagues asked the question with respect to a number of housing concerns that we have, particularly in the North. We would like to see a more suitable housing and affordable housing and type houses that are being built in the North to be built. Certainly the Native people in the North do not really have good houses to live in, and I look forward to this Minister to provide some leadership.

Also, I am somewhat dismayed with the response in terms of cooperation from the Minister in terms of sharing information. When I was a Minister, I had my staff actually provide briefing meetings to the Member of the Opposition and invited them into the office and had my Deputy go through the Estimates and some of the questions that he may have. I wish the Minister would have at least provided the same kind of opportunity to the Members opposite. If we are to be working together and sharing information together, I would expect some leadership in that area. Certainly I am referring to the Minister of Housing (Mr. Ducharme) and I guess at this point I will just leave them and convey some of the questions later on. Thank you.

Mr. Ducharme: I can appreciate where the Member is coming from. I have met with most of the groups in regard to especially some of the housing that we have had, the purchase of the homes, and I met mostly with the ones who are involved in the urban housing throughout the city. Some of them have had some problems in regard to getting their housing done and getting all their allocations completed. I can appreciate his concern.

I have met with the Minister, Mr. Downey, quite a few times in regard to the concerns that were brought before me from the different groups and I probably will be looking in the near future to have a different type of link between his department and our department. The Member will be aware when we put that link together

because our housing is so involved in the Native housing, we should have a link with that particular department. I am talking about not just a link between two Ministers but a link between the departments, and I am looking at this and I should be doing something very, very shortly.

The other thing I have to say is at no time did anybody ever say that he will not share information. I am saying that the Minister's information, the Finance Minister (Mr. Manness) has information. I think it is very unfortunate someone would have the gall to say, share information on information where the study is not even completed yet, so that is what I am saying.

The Member for Churchill (Mr. Cowan) always tries to put words in other people's mouths. I would say that a year ago I would have probably been maybe a little bit intimidated by him, but he is a good guy outside the House and we have a good rapport outside. However, we have a good rapport outside the House, so I am saying that he took his shots at the Minister. I know he enjoys doing that and I will get my chance to get back some time maybe.

Anyway, I just want to say that it is a good process and I can share your concerns. Anybody who has been in touch with me as their Housing Minister knows that I have never refused to share information on specific problems with anybody. I have even gone to the Member for Churchill (Mr. Cowan) and shared with him instead of making any big deal about it on reduction of rents that he had applied. I gave some reduction of rents to his particular area in Churchill and I have openly sat with him and talked to him about that.

Mr. Cowan: And I never betrayed your confidence, did I?

Mr. Ducharme: No, you have not. (Interjection)- We will not do that.

Mr. Chairman: 1.(a)—pass.

Resolution No. 93: Resolved that there be granted to Her Majesty a sum not exceeding \$4,065,300 for Housing, General Administration, for the fiscal year ending the 31st day of March, 1989—pass.

That brings to a close our discussions on the Housing Department.

We will be discussing Urban Affairs next. We will take a five-minute break before we start.

(RECESS)

SUPPLY—URBAN AFFAIRS

Mr. Chairman, Harold Gilleshammer: The Committee of Supply will be dealing with the Estimates of the Department of Urban Affairs. We will begin with a statement from the Honourable Minister responsible.

Hon. Gerald Ducharme (Minister of Urban Affairs): Thank you very much. First of all, I am pleased to introduce the '88-89 Estimates for Manitoba Urban Affairs. I am enjoying the new role and perspective that

comes along with the position of Minister of Urban Affairs.

I would like to begin by expressing my appreciation to the staff in my department. They are a small group of professionals with varied backgrounds and considerable experience who have served me and this Government very well during the past six months. As a former city councillor, I am fully aware that the City of Winnipeg plays a unique role in the Province of Manitoba. It is the capital city of the province and it is home to about 60 percent of all Manitobans.

Both levels of Government share a common interest in improving the quality of life for citizens of the City of Winnipeg and in promoting the City of Winnipeg as a major focal point for economic, cultural and social activities in the province.

Many departments of the provincial Government interact with the city and its citizens through grants, regulatory responsibilities, or direct delivery of services to citizens. However, the focal point for intergovernmental relations between the city and the province is the Department of Urban Affairs. The primary responsibility of this department is the administration of The City of Winnipeg Act and the coordination and implementation of the provincial urban policies and programs in the City of Winnipeg.

The mandate I have been given as Minister of Urban Affairs is to ensure the maintenance of the legislative financial and planning framework that will effectively meet the needs of the citizens of Winnipeg.

As I have mentioned, the Department of Urban Affairs is responsible for administering The City of Winnipeg Act, a statute enacted in 1971, outlines the political and administrative organization of the City of Winnipeg and expresses the powers and responsibilities delegated by the Province of Manitoba to the City of Winnipeg. The department reviews requests from the City of Winnipeg and other interest groups for changes to the Act and prepares amendments to The City of Winnipeg Act when required.

Current items being addressed include the translation of the Act into French from English before the end of 1990. Legislation proposed for 1988 includes: (a) amending the number of wards in the city; (b) amending the provisions pertaining to business assessment and taxation; and (c) other housekeeping amendments.

The financial relationship between the city and the province has always been very important. I am able to report an overall increase in the level of grant assistance provided to the City of Winnipeg in 1988. This enables the city to continue providing essential services that Winnipeggers enjoy. In addition, we are committed to providing one-time transitional financial assistance to the City of Winnipeg to offset the effects of the accelerated remittance of education tax levies to the school districts and the Public Schools Finance Board.

The Department of Urban Affairs is also responsible for the administration, negotiation of several Canada-Manitoba-Winnipeg agreements, including the renewed Core Area Initiative Agreement which runs from 1986 to 1990. Others which are currently winding down

include the original Core Area Initiative Agreement, an agreement for recreation and conservation of the Red River Corridor, otherwise known as the ARC Agreement.

The fiscal year 1988-89 will see new developments, including the following, a commitment to continue with the development of Winnipeg riverbanks. This summer, I had the pleasure of opening a new urban park, the Blue Stem Nature Park near Polo Park. We have also engaged consultants to evaluate redevelopment options for Louis Riel Park as part of a general policy of increasing public access and use of our rivers.

* (2140)

No. 2, Manitoba's commitment, along with Canada and Winnipeg, under the renewed Core Area Initiative—or I will refer to it as the Son of Core—will see the development of some exciting projects. For example, I am pleased with the progress of bringing the Forks Park into public usage under the ARC Agreement. We are also involved in participating in the development of a public market at the same location. The province is the largest single funder of the relocation of the Prairie Theatre Exchange to a permanent home in Portage Place. Our commitment through programs funds and the renewed Core Area Initiative will ensure the continued success of this established theatre for the enjoyment of Manitobans and visitors to our province. Legislation amending The City of Winnipeg Act will focus on amending the number of wards to the City of Winnipeg and changing the provisions pertaining to business assessment and taxation.

Careful planning and budgeting will ensure that the Department of Urban Affairs will continue to achieve its mandate in an efficient and effective manner. Emphasis will be placed on key program areas. In this fiscal year, over 98.8 percent of the Urban Affairs budget will be spent on program delivery. Seventy-five percent of the department's expenditures are direct grants to the City of Winnipeg.

Just to mention a couple of things, I know that the critic for the Liberals was involved, along with myself, in the original Core Program. There were probably a lot of many long days and probably uncertainties in regard to that program and many questions in regard to that program. Myself, I had to be convinced of the program but, after watching many accomplishments through the program, there have been many, and probably—I just want to add to the record—probably one of my most memorable events was last Saturday when I attended the graduating class of the group that came forward. There were over 100 of them from different walks of life, from different backgrounds and different ethnic groups, people who have come back into the workplace. I would say that this employment restructuring or part of the employment restructuring is probably—you could just feel the warmth inside that room. The parents, the friends and the people, you could just see it was a different attitude from other graduations you are involved in. You know they worked hard to get where they got because it was probably like the rest of us, learning to write with the opposite hand, to come forward and come into that type of structure.

I know that another very gratifying—would be the construction, the starting of the Forks. I think the most important thing right now to consider in the Forks is that we have the land. That was the key. Get the land and now probably do not be in a hurry just to put buildings on it, because it is a piece of property that we will never see again. I think the Forks should probably be aware that they build on it, make sure your plans are excellent and do not just be in a hurry to fill it up. When we made our little adventure to the federal Government in November of 1984 along with the Mayor and we met the Minister at the time, Mr. Mazankowski, we threw our plans to him and said this could probably be one of the major accomplishments in Winnipeg. I know that my honourable friend on the other side, the Liberal, is probably enjoying the Forks presentation and enjoying what is going on in the Forks. I am also sure and confident that we have hired probably one of the better people to be our general manager.

Mr. Chairman, that concludes my opening remarks. I have kind of swayed a little bit from my prepared text but I had to mention last Saturday, because that was probably one of the most gratifying events that I have been to, especially in regard to the Core. I would be pleased to provide additional information as we go through and answer questions concerning the four resolutions in the Estimates.

Mr. Chairman: We will now have the customary reply by the critic of the Official Opposition.

Mr. John Angus (St. Norbert): Mr. Chairperson, I thank the Minister for the kind things he has said about the city that we all live in. I had less concern about the Core Area Initiative success than the Minister did. Perhaps that was because of the closeness that I had with the original authors of the program and the visions that they had for it and the efforts that we ultimately saw could be done by keeping Government out of the business development other than from policy setting. It has been a very, very successful initiative, and I venture to say will continue to be a successful initiative. As long as we maintain that attitude towards the Forks Renewal Corporation we will, I am sure, in time see the type of development there that will surpass the North Portage developments and the Core Area developments.

Having said that, I am concerned about some of the things that are happening and/or lack of things that are happening within the Department of Urban Affairs. I look forward to getting some explanation from the Minister and his staff as to the investments of money that we are making and the potential return on investment. I will look forward to discussing the merits of changes that are being proposed to The City of Winnipeg Act and the implications of them and, perhaps more, the changes that are not being made to The City of Winnipeg Act that, I believe, should be being made.

I would also like to get a better explanation on things like the riverbanks and the amount of money that is allegedly going to the City of Winnipeg under the umbrella of—we are increasing the payments to the City of Winnipeg. I would like to know how many dollars have been passed-through dollars and/or transfer

dollars from the federal jurisdictions and federal responsibilities. I am not sure that we are going to have allowed enough time with the Second Opposition Party and the Minister to get into restructuring the financial needs of the City of Winnipeg and examining them in a more realistic fashion but, time permitting, I would like to explore some of those options that can be made available to a city who is looking for, to a certain degree, sovereignty rights within their own jurisdiction.

I would also like to address some of the surrounding areas of the City of Winnipeg and the extended development that seems to be taking place within the additional zone, and get some justification as to the authenticity of the existing urban lot line and get some indication from the Minister, his plans to review the urban limit line and to look at the effects of the additional zone, not only on agricultural land but on housing developments within the City of Winnipeg.

It seems a little strange to me that within six miles of my boundaries in the southwest corner of Winnipeg is a 200-acre housing development being constructed, and where people are actually buying houses and at reduced prices and yet we, through your department, are refusing to allow the city to develop in Headingley, as an example. But there does not seem to be any positive initiative to create or to assist the development within the existing urban lot line. So I would be interested in discussing those things with the appropriate administrative department when the time comes.

The subsidiary programs that are being offered to the City of Winnipeg, I would like to know what the Minister has in terms of plans to add to those or to encourage them to make them more effective. I am speaking of the Forks and other programs that are like that. I would be interested in seeing through his department make-work programs and/or programs that would address the infrastructure of the City of Winnipeg which is rapidly deteriorating and, at the same time, create jobs and employment within the City of Winnipeg. We are finding ourselves in a situation where the average property taxpayer cannot continue to afford to have his taxes increased on a regular basis, and yet we see there are streets crumbling and their sewers falling apart and their water delivery system being threatened. While they may be able to do without some of the frills, when they cannot have their water delivered, then we have a major problem. I think we might re-examine the role of property taxes and why they are being collected.

* (2150)

As well, there are things like the cost to the city of Workers Compensation. There is the existing payroll tax and the sleight of hand, the smoke and mirrors games that are played between the province giving money on one hand to the city, but taking it back with the other hand and the propriety of that; the Capital budget, the amount of money that is being set aside for an ever-needing population to travel in the city on bridges and things of that nature; the contribution to the Dutch Elm disease, any indication and/or suggestions in relation to major changes of that nature, I would be more than pleased to discuss with the Minister at the appropriate time.

Having said that, Mr. Chairperson, I am encouraged by the Minister's indication of openness and willingness. I believe that in spite of our political differences that we philosophically have the best interests of the city at heart, held up foremost in our mind, and I would encourage him to use the ability of the Members in the Official Opposition and other Members of the Legislature to work cooperatively to improve the way the city functions and the way the people in the city are able to enjoy the appropriate functioning of the City of Winnipeg. Thank you.

Mr. Chairman: We will now hear from the critic of the Second Opposition Party.

Ms. Maureen Hemphill (Logan): I appreciate this opportunity to just put a few thoughts on the record before we go into the detailed Estimates. First of all, I wanted to comment on how much the Minister, I understand his feelings when he said how he felt when he attended the—it was the Training and Employment Agency graduation—because I had attended a number of those myself as Minister of Education. I must say that the position that we took has proven itself because the original plan was to put the \$7 million into bricks and mortar. It was to build the college and spend money on the building. We said, no, there are lots of buildings around. We need to start training people, and we started immediately to train the hundreds of people from the inner core that are going through those graduations.

When you see the opportunity that they are given through those training programs that they never would be given otherwise and what it means to them, it shows how important that program was and how important it is that we put our money as much as we can in people, although occasionally we need bricks and mortar but I think not too much.

I wanted to talk a bit about the area that I think the Government should be moving in this Session, and it is to make additional changes to The City of Winnipeg Act. I know the Minister has announced a number of changes. They deal with a number of awards, business assessment and taxation. We commend those but think that the information is available through The City of Winnipeg Act Review under the Cherniack Review, had public hearings, had all sorts of information presented and recommendations, and some of them are critical for us to move on now because the development of our city is taking place in the absence of policies and plans and changes to the Act that should be influencing the direction and the planning of the city.

As the Minister would be aware, the most critical point that was made by everybody who attended the public hearings was that there was a total lack of planning at City Council, that there was no plan and that the planning was done more at the whim of developers' intentions to develop than it was from any overall strategy or plan by the city. It is just that too much time should not pass before we have those things in place because, when you see the development plan that was put before City Council out in Headingley for a major development outside of the urban limit line, you know how much continued damage can take place if those things are not put in.

I think they were critical questions that should be dealt with: the role of the Mayor, the role of the province in planning its relationship with the city, the role of community committees, and that is a very important one. What kind of resources do they need to do the job adequately? What is their role and what could their role have been in dealing with the urban limit line expansion, had they had a stronger role?

There were many other important areas such as protection of our urban waterways, and there was some mention of the movement on the riverbanks but, without clear legislation that spells out what we are going to do to protect our urban waterways and our environment, I think there is an absence of planning once again in those areas. I think the decision that was made to go outside of the urban limit line when we know that we have property inside that will do us up until the 21st Century, when we know that there would be significantly increased taxes on the people of Winnipeg and that continued movement outside of the limit line is going to detract from the Inner City Revitalization Program that all three levels of Government have undertaken and worked on. You cannot renovate and revitalize the Inner City and continue to build in the suburbs and outside of the limits of Winnipeg. There is not enough money to do both.

The way the decision was made raised many questions about the process of decision-making by City Council. The fact that there were admitted meetings with the developer after the presentation had been made, the fact that there were indications of coercion by some members of City Council to other members of City Council to make them support the decision for approving that development shows that this is one of the other areas that needs legislation. We think it needs it immediately, which is why we brought in the Bill to reform The Elections Act, making the City of Winnipeg's elected representatives conform to the same requirements as do we at the provincial level where we have to proclaim and make available for the public all contributions made to our elections, when you are dealing with hundreds of millions of dollars, when you are dealing with zoning and development approval. It is very important that the public has access to know who is getting their councillors elected and whether or not anybody who has a development plan before them is receiving any money from those developers.

I want to make it clear that we did not suggest that there was in that case. We just suggested that the impression and the uncertainty and the fear is there on the part of the public when they cannot see any other reasons for making the decision.

I commend the Minister for his decision where he did not approve and accept City Council's recommendation but say to him that, along with the other things I have pointed out, suggests to us that we should be moving on City of Winnipeg amendment Acts, major amendment Acts, in this Session and not leaving it over until the next Session.

We continue, as a Party and a caucus, and as we did as a Government, to give our total support to the Inner Core Initiative Programs and the efforts that we are all making to save what was only five, six, seven

years ago literally a dying Inner City, and that we can see the improvements that have been made both in the infrastructure and housing, in saving some of our older historic buildings and in, as the Minister mentioned, the training and employment of its citizens. We will continue to support all initiatives in that direction.

* (2200)

Mr. Chairman: What is the will of the committee?

An Honourable Member: Committee rise.

Mr. Ducharme: Let us rise.

Mr. Chairman: The hour being ten o'clock, committee rise.

SUPPLY—CULTURE, HERITAGE AND RECREATION

* (2000)

Mr. Chairman, Mark Minenko: I call this section of the Committee of Supply to order, please. This committee will be dealing with the Estimates of the Department of Culture, Heritage and Recreation. Let us begin with a statement from the Honourable Minister responsible.

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): Thank you, Mr. Chairman. I have copies of my opening statement for the Opposition critics.

Mr. Chairman, I welcome this opportunity to present my department's 1988-89 Estimates. In addition to providing an overview of the department's activities and accomplishments, I also want to talk about where the department is going in terms of its policies and programs.

Manitoba has a dynamic, artistic and cultural heritage which not only enriches us but also makes a valuable contribution to our provincial economy. As stated in the Throne Speech on July 21, my colleagues and I are committed to supporting our province's ethnocultural and artistic communities by working with them to improve programs and policies.

Cooperation and interaction between community organizations and the Manitoba Government is essential for the success of any endeavour in the fields of culture, heritage and recreation. My department will continue to consult with and respond to the needs of Manitobans.

So much of this success we have already achieved in these fields is due to the willingness of individual Manitobans to get involved in their communities. The sum total of these individual contributions is a solid base for the life we all share in Manitoba. I believe that my department's Estimates demonstrate that the Government values the dedication to our common goals shown by Manitobans—goals of continued cultural growth, protection and development of our heritage, and leisure and recreation opportunities for all.

My department will continue to actively support community-based efforts while maintaining the Government's standards of responsible fiscal management.

In Manitoba, the standard of our cultural activities is high. For example, this has been a banner year for the Royal Winnipeg Ballet with a triumphant tour of the Pacific Rim countries, as well as completion of its long-awaited facility.

Recently, the province committed a \$400,000 grant to the Royal Winnipeg Ballet through the Lotteries Trust Fund to enable it to secure a special grant from the Kresge Foundation and eliminate the need to carry a mortgage on its facility.

The Winnipeg Art Gallery celebrated its 75th birthday and officially represented Canada at the biennial celebrations in Sao Paulo, Brazil.

Manitoba was also well represented at the Calgary Olympics by the Prairie Theatre Exchange, the Manitoba Chamber Orchestra, the Contemporary Dancers School and four high school choirs.

As well, the Winnipeg Symphony Orchestra, which is recognized as one of Canada's leading orchestras, has for the past five years achieved financial stability in addition to artistic growth. Since the 1983-84 season, the WSO has been the only major Canadian orchestra without a deficit and, at the end of last season, it had an accumulated surplus of about \$100,000.00.

To ensure this rate of success continues for Manitoba's cultural resources, I am committed to undertaking a long overdue review of Manitoba's cultural policy. The review will focus on the role of Government in the financing of culture, on the development of the arts in rural settings and on amateur art. The result will be a policy which ensures cultural development in Manitoba is planned and effective and which maximizes the use of available funds. Consultation on the design for the policy process will be the focus of the 1988-89 activity.

Manitoba's major cultural and heritage organizations play a major role in preserving and promoting our arts and cultural heritage. The Government is committed to supporting the outstanding work of these organizations. Accordingly, the operating grants of Manitoba's major cultural and heritage organizations have been increased by 3 percent for 1988-89.

Important cultural industries contributing to Manitoba's cultural and economic development, such as publishing, film and video, are served under the five-year \$21 million Canada-Manitoba Economic Regional Development Agreement on Communications and Cultural Enterprises.

Programs have provided key support in employment, training, marketing and new technologies to Manitoba book and magazine publishers. Over the course of the subagreement, there has been significant growth in Manitoba's film and book publishing industries. For example, book publishers' sales rose from \$350,000 in 1983-84 to \$916,000 in 1987-88. While Manitoba publishers have grown by nearly 200 percent, publishers nationally have only kept pace with the rate of inflation.

The Canada-Manitoba Cultural Industries Development Office, or CIDO, delivers cost-shared production, marketing and training programs to the film and video and sound recording industries, as well as the Film Manitoba Program on behalf of the province. Since 1985-86, these programs have assisted 85 film and video projects. The volume of film production in Manitoba has risen from \$900,000 in 1985-86 to a projected \$7.3 million in 1988-89.

I am committed to renegotiating this agreement and will continue discussions with the federal Government to achieve this end.

The report of the Manitoba Task Force on Multiculturalism, entitled "Multiculturalism is for all Manitobans: Towards a Horizontal Mosaic," was released this month. The report is the first step in the development of a comprehensive policy on multiculturalism in Manitoba. This Government is committed to developing such a policy which will address equality of access to programs, services, employment and economic opportunities, and ensure coordination of Government programs directed to the ethnocultural community.

As only 5 percent of Manitoba's ethnocultural community responded to the task force, there is a need to seek additional comment from this community. To ensure wide consultation and to assist in prioritizing the report's 68 recommendations, my department is distributing the report to the ethnocultural community, the Manitoba Intercultural Council and provincial Government departments for review and comment.

I also encourage all Members of the House to review the report and provide their comments to me.

It will be the job of the newly appointed Ethnocultural Affairs Committee of Cabinet to analyze the responses and put in place a comprehensive multicultural policy reflecting the true multicultural nature of Manitoba.

I will soon be appointing the first Public Library Advisory Board since 1969. The board's first task will be to review The Public Libraries Act. In rural areas, my department is supporting library participation in a national electronic resource-sharing network that will greatly expand the range of materials available to libraries outside of Winnipeg.

In Winnipeg, the annual operating grant for the city's public library system will be increased by 10 percent to more than \$1.6 million.

* (2010)

My department recognizes that museums contribute much to the community. However, they should be more than tourist attractions. They must also be a source of education about our heritage. I recently announced a three-year \$216,000 pilot project to assist in upgrading selected museums and developing regional centres of excellence. The museum community has endorsed this project which will provide cohesive, planned museum development in this province.

A major focus has been the development of workshops for local Heritage Advisory Committees

which have been established under The Heritage Resources Act. These workshops will ensure local communities have the technical information and expertise to provide better protection of local heritage resources.

During the past year, my department identified a number of important historic sites on the Churchill west peninsula, which includes the area known as Seahorse Gully. The site is unique in Canada in that it contains remnants of all Inuit cultures known to have existed in Manitoba.

Our Government believes that recreation is vital to our physical and mental well-being, and we are committed to furthering this concept of recreation. To help identify directions for recreation development in Manitoba through the 1990s, I have assigned a senior staff member to finalize the Provincial Recreation Policy Statement and establish an action plan for its implementation. The statement will deal with priorities such as increasing input from all levels of the recreation community and will promote the importance of recreation in this province.

On September 30, Manitoba's Freedom of Information Act was proclaimed, fulfilling a commitment made by the Government during this year's Throne Speech and demonstrating the Government's willingness to be open and accountable to Manitobans. Information Access Services are now available at Government offices throughout Manitoba.

All Manitobans stand to benefit from a close working relationship now developing between Ministers of Culture, Heritage and Recreation across Canada, particularly with the western provinces. I recently co-hosted meetings of the Provincial Ministers for Recreation and Sport and attended a meeting in Quebec City of Canada's Ministers of Culture and Heritage. The provinces came away from the meeting with a new commitment to exchange information and work together.

In closing, Mr. Chairman, I would like to express my appreciation to the organizations, institutions and communities across Manitoba that are working with my department to promote our province's rich cultural heritage and ensure Manitoba is an exciting place to live. Thank you.

Mr. James Carr (Fort Rouge): Mr. Chairperson, it gives me particular pleasure to rise tonight to put a few comments on the record in this debate on the Estimates of the Department of Culture, Heritage and Recreation, and for two particular reasons.

One is that I have always thought that this is one of the most important departments of Government because, while the Departments of Finance, Health, Community Services and Education look after the well-being of our citizens and are responsible for prudent management in the education of our children, the Department of Culture is involved more than any other in what makes us unique as Manitobans and enriches our lives. We in this province are blessed with a cultural richness which is probably unsurpassed by any community of its size on the continent or perhaps indeed the world.

The Minister said in her opening statement that we have the Royal Winnipeg Ballet and the Winnipeg Symphony Orchestra and we boast a number of small emerging cultural organizations such as the Manitoba Puppet Theatre, The Contemporary Dancers, and large flagship institutions such as the Manitoba Museum of Man and Nature, the Winnipeg Art Gallery, and we are blessed with a quality of life that really one cannot count on for a community as small as ours.

The second reason that I take great pleasure in this debate, Mr. Chairperson, is because I have a long association with this department. As a member of the Winnipeg Symphony Orchestra, I was one of those who was the recipient of funding from the Department of Culture, as was the Winnipeg Symphony itself. I also participated in the management of that orchestra and as a volunteer in the community. So it is a department that is very close to my heart and very important to the governance of Manitoba.

We will want to discuss with the Minister tonight and for as long as these Estimates go on the whole concept of multiculturalism because the richness of our society is not defined only by the large "C" Culture, those institutions of which I spoke, but also the people who live here. We in Manitoba are a people from all around the world, and the richness and the diversity of that culture and the way we get along with each other in our community and our society strengthens us, and this department is responsible for ensuring that the multiculturalism in our province is enhanced.

We will want to discuss that. We will want to talk about funding and, in particular, the relationship between those dollars earned from the tax base and those dollars which come from the gambling habits of Manitobans. Some of my erstwhile colleagues sitting up there are probably well aware of that debate. It has been going on for a long time.

I do not want to spend too much time in this opening statement, Mr. Chairperson, only to say that we, on this side of the House, are anxious to participate in a stimulating and lively debate in an area of Government which we think is absolutely vital for the quality of life of Manitobans. Thank you.

Mr. Chairman: Before we continue with the Estimates, we, as is customary, shall defer item 1.(a) Minister's Salary. We will now consider 1.(b) Executive Support: (1) Salaries. I invite the staff to attend.

Mr. Carr: Under the subheading of Executive Support, I would like to ask the Minister about a very important event that occurred just this afternoon in the affairs of our province, and that was the apparent dismissal of the executive secretary of the Manitoba Intercultural Council. I wonder if the Minister could give us the reasons for that dismissal.

Mrs. Mitchelson: I want to indicate at the outset that for the Manitoba Intercultural Council to be successful as an advisory body to Government, which was the original intention for MIC, there has to be a good communication link between Government and the Intercultural Council and within the Intercultural Council itself.

If communication within the council is not good and those who are working with the primary task, I think, of wanting to advise Government properly on what the multicultural community out there really wants and really needs, I feel that they themselves have to have a good communication process in place and be able to work really well together so that the recommendations that come forward to Government from that advisory body are the recommendations that truly reflect what the multicultural community wants.

To answer this question properly, I have to go back to conflict, I suppose, within the multicultural community before the Special Audit was asked for by Government because I had people coming to me with different opinions and different feelings on MIC. Some were unhappy with the way MIC was running. They felt that there were some problems. People came to me and indicated that they had some concern. So we called for the Special Audit to clear the air.

The Auditor's report came back and indicated that there was some loose accountability, but he also did indicate that there were communication problems within the council. That was something that sort of ran through his whole report. He said that there were communication problems between Government and the council, communication problems within the council, and those were things that had to be addressed and had to be straightened out.

* (2020)

As a result of wanting to address all of the concerns in the Auditor's report and ensure that provisions were put in place that satisfied the Provincial Auditor, we met with the council and indicated that we, as Government, wanted to work together with them towards addressing all of these issues and ensuring that MIC was functioning in the way the Auditor felt it should be functioning. So that is a bit of background on what happened and communications were discussed.

I want to indicate to the Member opposite that the two people who Government appoints to MIC are (1) the chairperson and (2) the executive secretary. That is spelled out very clearly in the legislation in the Act that was passed back in—what was it?—1984, I believe. That was the process that was put in place and it states quite clearly in the Act that is what is supposed to happen. Those are the two people who Government appoints.

We have a responsibility as Government to ensure that those people are working together, those people who we appoint to MIC are working together, are cooperating and working together so that they are performing the duties that are expected and that they are reporting to Government the true feelings in the multicultural community.

Last week I received a letter of resignation from the chairperson of MIC indicating—I was just trying to find that letter in front of me, but I will try to quote what she said. She resigned as chairperson of MIC and it indicated in that letter that the behaviour and actions of the executive secretary continue to interfere with the business of council.

As a result of the chairperson, who is appointed by Government, indicating that she was not able to work cooperatively with the executive secretary, we felt as Government we had no alternative but to relieve the executive secretary of his duties and ensure that we have someone there working in that position who is going to be able to cooperate, consult and work with both Government and the council to ensure that the needs of the multicultural community are met.

Mr. Carr: So, out of all of that, the only reason the Minister states on the record is she had received correspondence from the former chairperson of the council who indicated that the executive secretary was interfering and, on the basis of that letter, dismissed the executive secretary. The Minister should feel free to add any other reasons on the record as this line of questioning proceeds.

Was there any consultation? I was interested to hear the Minister talk about the communication problems within the council. I would like to ask a question that has to do with the communication between the Government and the executive of the council itself. Did the Minister consult with that executive before the decision to terminate the executive secretary was finalized?

Mrs. Mitchelson: Mr. Chairman, I think I clearly indicated in my answer previously—I know it was quite lengthy, but I wanted to provide the background material for the Member opposite so that he was aware and understood what Government's responsibility is. Government appoints by Order-in-Council the chairperson of MIC. Government also appoints by Order-in-Council the executive secretary of MIC. Those are the two positions that Government appoints and, if those two positions that we appoint, if those two people are not able to work cooperatively for the benefit of the multicultural community, then Government has to address that issue. We want to ensure that the people who are working there in MIC are people who are going to work with Government.

When I talk about "with Government," they should be able to work with the Government of the Day. It does not really matter what political Party is in power. Those people should be there with their very first and foremost interest being the ethnocultural community, the multicultural community that is out there, and representing and advising Government on what the community wants. That should their first and foremost concern, and those people have to be people who want to and are willing to represent the community and advise Government. Mr. Chairman, if they cannot do that, there is no alternative for Government but to ensure that a process is in place so that they will and can provide the service and the function that they are there to perform.

Mr. Carr: Well, the Minister's threat that the executive secretary and the chairperson of the board or Order-in-Council appointees, all other members of that council are elected by their own communities and I ask the Minister again, did she consult with the executive of the council before she made the decision to terminate the executive secretary?

Mrs. Mitchelson: A month ago, I met with the executive of MIC and I expressed, when we were talking about improving lines of communication within the council, the concern that there was a problem and indicated that both the executive secretary and the chairperson were expected to cooperate to meet the aims and the objectives of the community. So I did clearly indicate at that time that both of them were responsible for working together to ensure that they were representing the community.

Mr. Carr: I will not ask the question a third time. We will just have to read the record. Does the Minister think it is appropriate that the executive secretary and the chairperson of such an organization be appointed by Order-in-Council, while all other members of the council itself are elected by their own communities? Does she agree that kind of a situation may result in divided loyalties and confusion from the executive secretary, who is appointed by the Government but who is responsible, her day-to-day activities, to this council which is elected by the ethnic communities? Is the Minister satisfied that structure and that situation was in the best interest of the council?

Mrs. Mitchelson: Whether I am satisfied or not, the Act clearly indicates that is the procedure to be followed. That Act was set up under a former administration, not under my administration and long before I became Minister of Culture and Heritage and long before I was elected to this Legislature. So quite clearly the Act is there and the Act has to be followed at this point in time.

I have some concern and I share the concern that the Member opposite has about the chairperson and the executive secretary being appointed by Order-in-Council but, until such point in time as the legislation is changed, we have to adhere to that legislation. When the Member opposite talked about conflict, I am wondering where their loyalties lie. I would think that he would agree with me that their loyalty should lie first and foremost with representing the ethnic community and the concerns of the ethnic community and the whole ethnic community. They should not have to worry about being loyal to the Government or to MIC. They should be able to work cooperatively with MIC and with Government.

Mr. Carr: I would like to ask the Minister who would be running the day-to-day affairs of MIC now that it is without an executive secretary.

* (2030)

Mrs. Mitchelson: I have a meeting with the executive of MIC on Thursday evening. It was a meeting that was scheduled before today and it is a meeting that I am going to attend. I have already sent a letter out to the executive of MIC indicating that I will be asking them at that point in time to recommend to me two people who they feel could fulfill the position of chairperson. That is something that has happened in the past and that will happen again. I have also indicated to them that I want them to put a process in place whereby we can vote in the position for the executive secretary and

go through a process of hiring someone whose first and foremost commitment will be to represent the multicultural community.

Mr. Carr: The Multicultural Task Force in one of its recommendations states that there ought to be a separate funding agency, aside from MIC, that would look after the direct grant giving to ethnocultural organizations and that the role of MIC should be reduced to one of advisor. Is the Minister in agreement with that recommendation?

Mrs. Mitchelson: I realize that the task force does recommend that. I also am aware that MIC feels that they should maintain that funding capability. We have a needs assessment under way right now. The recommendations will come forward from the consultants, and I indicated I think in Question Period to my friend opposite that within the next couple of weeks those recommendations will be coming forward.

I am not going to make any definite decision. The only clear and qualified statement I want to make at this time is that there will be funding available for the ethnic community.

Mr. Carr: We have a situation now where the chairperson of MIC has resigned and the executive secretary has been dismissed. The Minister has in her possession a report that makes a series of recommendations that would affect the evolution and the operation of MIC. When is the Minister going to take some action and show some leadership so the MIC can get back on the rails and begin to fulfill its mandate?

Mrs. Mitchelson: I think I have taken some action and shown some responsibility. I want to clearly indicate to my friend opposite that the task force report, and I think I mentioned it in my opening statement, only consulted with 5 percent of the community out there. There is 95 percent of the multicultural community that did not have any input into that. There are 68 recommendations and I want to ensure that that 95 percent of the community has the opportunity—I want to give them that opportunity—to look at the recommendations and let me know what their feelings are on those recommendations.

When we have all of those gathered together, and I have indicated a deadline for that—we want to be looking into early next year and I am talking about early in 1989—we will look at all of those recommendations from the community, take all of those recommendations that have been distributed to each Government department that is responsible for them and get some input and some feedback on what the cost implications are and what the feasibility of implementing those recommendations are, bring that all together to the Ethnocultural Committee of Cabinet and assess and analyze that and work towards a comprehensive multicultural policy. That is not something that happens overnight.

Very often the Liberals indicate that what are you going to do today for this? They are sitting in Opposition,

and I know that the Liberals have not been in Government in the Province of Manitoba for many years and they are very inexperienced, but they have to come to realize at some point in time, and I have come to realize. I sat in all positions so I know what it was like, and often we make demands on the Government, and now I can sit back and realize that things do not happen today or yesterday. If you want to put a comprehensive policy into place, you do not do it overnight.

Mr. Carr: On November 14, the Government sent out a press release that talked about the establishment of a broadened and strengthened Ethnocultural Affairs Committee of Cabinet. I would like to ask the Minister if that committee has met. Has the committee met?

Mrs. Mitchelson: The committee to this point has not met. I indicated that the committee was going to be there to look at and analyze the recommendations of the task force report on multiculturalism.

Mr. Carr: We can only then determine by a process of simple logic that if the Ethnocultural Committee of Cabinet has not yet met, it was not involved in the decision to dismiss the executive secretary of MIC.

I would like to ask the Minister which departments will implement the decisions of the Ethnocultural Committee of Cabinet?

Mrs. Mitchelson: If I get the question right, which departments will implement the recommendations? Each department that is responsible for the recommendations. There are recommendations that will affect the Attorney-General's Department, there are recommendations that will affect the Civil Service Commission, there are recommendations that will affect the Department of Education, recommendations that will affect my department. All of those departments, every department that will be affected in some way will have some input or will have to analyze those recommendations and look at how and when we can implement them.

It will not be overnight, as I said before. Some of them will take a little longer than others. Some of them will be able to be implemented a little earlier than others. Each and every department will come forward with their assessment of the recommendations that affect their department. Those Ministers will look at those recommendations, will bring them to the Ethnocultural Affairs Committee of Cabinet, along with the responses from the ethnic communities that are out there. We will look at them. We will prioritize them. We will come back with ways and means.

I have indicated before that we will be quite open and honest and factual. Those that we can implement, we will implement and we will give a time frame on them. Those that we cannot implement or we do not feel we can for some reason, we will let the community know.

Mr. Carr: The Minister in her answer mentioned a number of different departments that may be affected by the decisions that the committee takes. She

mentioned the Attorney-General's office, she mentioned her own department and a number of others. I wonder then who will be assigned the task of coordinating between the departments the decisions of the committee to ensure that the decisions are implemented and carried through.

Mrs. Mitchelson: Obviously myself, as Minister responsible for Culture, Heritage and Recreation, who is responsible for multiculturalism and chair the Cabinet committee, will be the person who is accepting and organizing the responses.

Mr. Carr: Are there any staffpersons who have been designated the responsibility of coordinating that activity?

Mrs. Mitchelson: There are staff within my department who are receiving calls from the multicultural community. There will be a coordinator of those results and, when that appointment is made, when that decision is made, I will make that information available.

Mr. Carr: Can the Minister let us know when she anticipates an ethnocultural coordinator will be hired?

Mrs. Mitchelson: Soon.

Mr. Carr: That beats "due course," which is what we generally get from her colleagues. I wonder if "due course" is before or after "soon." I am not sure; I guess we will find out. I think, in the interest of time, I will yield the floor to my honourable friend for some questions on this section.

Ms. Maureen Hemphill (Logan): I just want to indicate that also in the interest of time, I waived an opening statement because our time here is short for these Estimates.

I just do not want a lot of detail but I am wondering, under this allocation, if the Minister can give us some idea of what she is going to do with a fairly significant increase in Research and Planning and Communication and Information Services. One is about \$120,000 and the other is \$60,000.00. Just in general terms, what are you doing with your increases in money?

Mrs. Mitchelson: If I can just get some clarification, are we under Financial—

Ms. Hemphill: I am under Administration and Finance, your supplementary.

Mrs. Mitchelson: Administration and Finance, then we are talking about—

Ms. Hemphill: We are talking about under Administration and Finance in your supplementary material. You have Minister's Salary, which I do not expect to question you on right now, Executive Support, Research and Planning, Communication and Information Services. Is that not the section we are on now?

Mr. Chairman: (b)(1) Executive Support: Salaries.

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Ms. Hemphill: Okay. The question is going to come up anyway.

Mr. Chairman: The question asked by the Honourable Member for Logan refers to item 1.(c)(1).

Ms. Hemphill: Does it say on the supplementary? Let me see. Yes. If you want to wait till 1.(c), that is fine.

* (2040)

Mrs. Mitchelson: Okay. Mr. Chairman, are we going line by line? Can we pass 1.(b) and go on to 1.(c) and I can answer that question?

Mr. Chairman: Are there any more questions on item 1.(b)?

Ms. Hemphill: Mr. Chairperson, I believe under this category there are two areas that I would like to spend a few minutes on. One is the responsibility to develop a multiyear library development policy for Manitoba. The other is the multicultural policy. Also, The Freedom of Information Act, I think, comes under this branch.

I would like to take just a couple of moments to describe a program under the Library Services that I realize could come under Administration or later on when you are giving funds to the libraries. I would just as soon deal with it now. There was a program in the Inner City called "Book Mates." It was a program that was designed three or four years ago. It was designed for preschool children between the ages of three and five who had English as a second language, in other words, who could not speak English or whose English would not be very good.

The program was funded through the Core and other charitable organizations and its purpose was to put a volunteer together with a child and the commitment was that that volunteer would take the child to the library once a week. It is a preliteracy program; it was very successful. They had nearly 300 volunteers working on a one-to-one basis with 300 Inner City children. The teachers in the schools that received those children said they could see a definite difference in the children who had the benefit of the Book Mates Program. It virtually does not exist now because they expected to be legitimized. Their funding was coming from four or five different places.

They expected their funding to be consolidated under Libraries. This did not go through as anticipated because I understand the Library budgets were cut overall. Book Mates was dropped and this program now is not existing. There are volunteers who are trying to keep it together. I am raising it not because I expect the Minister to have known about this but, when she is looking at library policy and she is looking at funding of the libraries, I would like her to find out about this program and raise it with the public libraries in the City of Winnipeg.

In fact, I would really appreciate it and so would all the children who are taking the program and their parents if some discussions could be held with the City of Winnipeg and with the library people now to see if

something could be done to keep this program going until you sort out whose baby it is. Whether it is determined to be a preliteracy program under the Department of Education or a reading program for Inner City children, I think it does not matter much, but the program is dead now and awaiting some support in funds. I wonder if the Minister would just indicate a willingness to look into this very important program.

Mrs. Mitchelson: Mr. Chairman, very definitely.

Ms. Hemphill: I notice that under this section, the proclamation and administration of The Freedom of Information Act is covered, and there was mention made in the opening statement of the Access Guides that were being made available. Could the Minister give us some idea of who the distribution is being made to? Who is getting the Access Guides? Who is receiving it and how are they receiving it? How does the public know they are available?

Mrs. Mitchelson: The distribution is to provincial offices, municipal offices and libraries.

Ms. Hemphill: Provincial offices, municipal offices and libraries. Mr. Chairperson, since a lot of the people in our province may not be in any of those facilities, I am wondering, for instance, how the Minister thinks that members of the ethnocultural community would know that was available and would have access to it. How is the information getting out to the public that these are available in those three places? With groups like the ethnocultural community who do not use traditional communication methods for receiving their information, how does she intend to make sure that they all know about The Freedom of Information Act?

Mrs. Mitchelson: The Act is there to access information from Government. For those who in the past have called the Government department for information and have been refused information, the Act is there so that, if they have been refused information and they feel that they should be able to get information from Government, then they go through the application process and fill out an application for freedom of information.

But information that normally should be provided through any Government department for any reason is now available and you do not have to fill out an application or use the Access Guide necessarily to obtain that information.

Ms. Hemphill: I was not asking about general information. I was asking about how the people will become informed about the process. In other words, what good is the freedom of information legislation in law, and what good is the guide if people do not know if there is information that they want to know about their Government programs and what the Government is doing? There is a process to acquire it.

So my question is related specifically as to how you get information out to the public about the fact that The Freedom of Information Act exists. I do not think we need to think that all of the people in Manitoba

picked it up in the newspaper the day it was carried in the media. How do they know it exists, how do they know what the process is to access that information?

I scratched my -(Interjection)- Did you do this to me?

* (2050)

Mrs. Mitchelson: Mr. Chairman, we have not spent any specific dollars promoting it but we have, both in the print and the broadcast media, briefed the media twice on freedom of information, once when we announced the proclamation date, and once when that date came close, around the end of September, September 30, when in fact the Act was going to be proclaimed.

There have been several articles in the news media and we have given, as I said, briefings to the news media and I would hope that if they want the public to know—and that is probably the job of the media too to present in factual form—these kinds of things and I hope they have done their job adequately.

There is a nine-minute video on the Act and that has been also presented. It is being used as an introductory piece for information sessions with special interest groups where freedom of information requests are made and we offer it at that time.

Ms. Hemphill: Mr. Chairperson, I do not want it on record that the Minister drew blood on her first encounter in Estimates.—(Interjection)- I said I do not want to put on the record that you drew blood in our first encounter while we are going through these Estimates.—(Interjection)- Maybe, it depends on how much I am bleeding.

I do not want to belabour this but, in terms of the answer just given, I would ask the Minister if the media, the press that they put the information out with twice, if there was a special invitation or any attempt to get to the ethnocultural press. I guess the point I am making—she said, well, I hope the press does their job. I think in a case like this that it is not really the press's job to get the information out to the people of Manitoba about this, and I consider it to be kind of passive to just have a press conference and to hope the media carries the message. I think there are a lot of people out there who do not get their information through the traditional media and that it is incumbent upon the Government to take special steps. In this case, one of the things you could do is have a press conference with the ethnic media and you could give them the same information you gave the traditional media, so that they would carry it in their newsletters and newspapers so that ethnocultural communities would also know.

You could give that information in certain packages or ways to the Manitoba Intercultural Council and ask them to distribute through their organizations. There are many ways of doing it and I do not think on such an important matter we can just rely on the press. That is the only point I wanted to make.

I would like to spend a few minutes talking about the development of a multicultural policy for the

province and the multicultural task force. I know, and we certainly are all in agreement with the Minister, having shared the report with members of the ethnocultural community and saying that she wants to consult with them, and also her point that a very small percentage of the communities were involved in the discussions and that she wants to broaden that. I think that is very good.

However, there are a number of recommendations in there that will not be up to the communities to implement. I am wondering, for instance, what steps the Minister is taking to work with other jurisdictions or other institutions to implement or talk about the recommendations. I will give her some examples: for instance, school divisions, where there are recommendations on multicultural policy, school divisions where there is a recommendation on mandatory heritage language training. In answer to my colleague, you said that you would be coordinating all of the recommendations for all of the departments. Then, with the universities, it would be the question of teacher training and accreditation.

What plans and what steps is this Minister taking who is responsible for coordination of all the programs to not only consult with the ethnocultural communities but to set up meetings to develop implementation plans with bodies like school divisions and universities?

Mrs. Mitchelson: Mr. Chairman, we sent the task force report out to the community at large, the broad community out there. I am not just talking about the ethnic community, but all of those that had any input into it. I ask the Member opposite if she has—we could probably give her a list of the distribution of the task force and the letters that we sent out. It was quite extensive and, if there is someone who she feels we have missed or someone who has not been included in that list, we will be more than willing to send that report out and ask them for their cooperation. I would not want to miss anyone because it is too important to by-pass anyone.

So maybe we should provide a list of the distribution of the report to the Member opposite—well, to both Opposition Parties—and if there is someone that has been missed, just bring that to my attention and we will ensure that they get a copy and have the opportunity to respond.

Ms. Hemphill: Mr. Chairperson, I appreciate that offer. I would just like to suggest though that I think there is a difference between sending out the report for people to see and review, making formal contact and setting up formal meetings with bodies like school divisions and universities to sit down and discuss, first of all, the recommendations and their attitude and position on them, and then a plan of action how you are going to work out between the two of you a plan of action in those areas, because they might receive it, for instance, and say, well, this is a very nice report and just file it on the shelf if there is not an action plan that goes along with it to initiate plans of action.

So I would suggest still with school divisions and universities that this Minister might work with the

Minister of Education (Mr. Derkach) so that you are not waiting until all the consulting is done with the ethnocultural community before you begin to discuss these plans with these very important bodies.

Mr. Chairperson, we did discuss the fact that not all of the recommendations need await the consultation process that is taking place. In fact, some of them were ongoing prior to this Government taking office, and some could be instituted tomorrow if the Government decided to do that, to show their good faith, the priority that the multicultural community has, and others require consultation before you can move on them.

One of the areas that we had moved on, and I would like to know if this Government is maintaining that as a policy, has to do with advertising and the sharing of advertising money with other than the traditional newspapers. Does this Government, are they continuing the policy of putting advertising in ethnocultural newspapers and other community newspapers like the Inner City Voice to help them stay alive and serve their target populations?

Mrs. Mitchelson: Mr. Chairman, we have done absolutely nothing to restrict that policy, so that policy is still in place.

Ms. Hemphill: I am sorry, I did—

Mrs. Mitchelson: We have done absolutely nothing to restrict that policy, it is still in place.

Ms. Hemphill: Could the Minister—I know she will not have the information tonight—get us information that shows us, since their Government took office, what advertising has been placed with which ethnocultural newspapers and others, so that we can see the distribution and allocation of funding in that area?

One of the other areas that the Government could institute immediately has to do with the area of contract compliance. There was a suggestion that anybody who receives funding from the Government, whether it be a public body, a private body, a charitable organization or businesses, should have to have personnel policies that deal with affirmative action hiring. Is this Government considering contract compliance? Do they feel they need to await the consultation process with the ethnocultural community, because I am sure they would be delighted with an announcement tomorrow that you were going to institute contract compliance?

Mrs. Mitchelson: I want to indicate that under the former administration, I do not think affirmative action by Government was working all that well. I would hate to be indicating to the private sector that they should be doing something that we as Government cannot get our act together on.

We are working as a new Government to try to improve affirmative action in the Government. I think everyone recognizes there were some problems in the past. It is something we all have to work together towards improving and seeing that it is working well in Government. I think that we have to do our homework at home first before we dictate to anyone else what they should be doing.

Mr. Carr: I would like to ask the Minister about her own home and her own backyard when it comes to affirmative action. I would like to start by asking the Minister for a statement of her own personal objectives for the Affirmative Action Program in her own department.

Mrs. Mitchelson: Is it the will of the Opposition to pass 1.(a)(b)(c)(d)(e) before we get onto 1.(f), which is Personnel, and that is affirmative action?

Mr. Chairman: I believe there is—the Honourable Member for Fort Rouge.

* (2100)

Mr. Carr: If the Minister wants to talk about affirmative action under a different section, then we are prepared to pass 1.(b) in a moment and then move on to 1.(c). If the Minister wants to wait till we get to 1.(f) to discuss affirmative action, that is fine. I will put that aside.

I have a question or two about freedom of information which the Minister considers appropriate to debate in this section. How many inquiries has the Government received under The Freedom of Information Act to date?

Mrs. Mitchelson: It is kind of hard to really indicate how many requests we have received under freedom of information because we are not compiling a central list of what goes through each department on freedom of information. I do not know if there could even be a rough estimate given, but I have indicated that there will be quarterly reports in the House on freedom of information. The first quarterly report should be available in January. At that point in time, we will have that information compiled.

Mr. Carr: Has the Minister or any members of her staff consulted with other jurisdictions about the evaluation of freedom of information programs? Does the Minister have in place now a set of criteria to evaluate how the information Act will be working?

Mrs. Mitchelson: Mr. Chairman, we have contacted various jurisdictions even outside of the country. I have to say that the Act is to be evaluated after a three-year period. There will be annual reports and updates on that Act and assessment of it at that time.

Mr. Chairman: 1.(b)(1) Salaries—pass; 1.(b)(2) Other Expenditures—pass.

1.(c) Research and Planning (1) Salaries—the Member for Fort Rouge.

Mr. Carr: Does the Minister consider this an appropriate time to discuss lotteries? It seems it should be appropriate because the Research and Planning Branch surely has to consider the issues of spending in the long term and sources of revenue.

I would like to ask the Minister what plans she has to cushion the effects of lower Lotteries revenues in the Province of Manitoba. As the Minister knows, they grew dramatically in the 1970s, much more dramatically

than the tax-based revenues for Governments did through the 1980s, but now there is a flattening out. So what has happened over the years is that there has been an increased reliance and in fact a dependency which has grown up from cultural organizations and sporting organizations to the Government.

This funding is based not on the ability of Manitobans to pay in some fair and equitable way but on the whims of the gambling public, and we can see that Lotteries receipts are now flattening out and we are worried that over time they may decrease. What effect is that going to have on organizations who have over time built up this dependence on Lotteries money?

Mrs. Mitchelson: I think that was part of what the Needs Assessment was to address. We do know that Lotteries revenues are levelling off and, unless we expand or increase in some way our method of obtaining or increase the games or whatever might be, we are not going to have any major increase in Lotteries revenues. We recognize that and we realize that. It is a concern. It is a problem. There are many groups and organizations that have depended in the past on increased revenues. As I have indicated, we are going to have to look through the Needs Assessment, and that was part of what it was supposed to do was look at who was receiving the funding, what the needs of the community were, full well knowing that Lotteries revenues have levelled off.

I want to know whether the Member opposite wants to discuss at this point in time Lotteries in the Department of Culture, Heritage and Recreation or whether he is wanting to discuss lotteries in general and what impact it is going to have, because I would discuss Lotteries in the Department of Culture, Heritage and Recreation here right now, but I believe it is under Minister's Salary traditionally that we discuss the Lotteries Foundation and lotteries as such.

Mr. Carr: Will the staff be present when we have a discussion of lotteries with the Minister's Salary debate?

Mrs. Mitchelson: While we are discussing lotteries, staff of the Manitoba Lotteries Foundation will be here.

Mr. Carr: For now, I would like to discuss expenditures of Lotteries within the Department of Culture, Heritage and Recreation.

I am looking for a statement on the Minister's position on what could be a growing problem in her department, and that is a continuing dependence on Lotteries money but a declining rate of return for the province. I want to know if the Minister has plans for that eventuality. Does she intend, for example, to begin increasing or arguing with her Cabinet colleagues that there ought to be an increase in tax-based appropriation for this department so that the very important cultural and sporting organizations in the province can begin to be funded more securely than they are at present?

Mrs. Mitchelson: I think this is a problem that has been growing over the last several years and what was traditionally funded under appropriation in the past has

now become funded out of Lotteries. There is a major portion or chunk of the Department of Culture, Heritage and Recreation that is funded out of Lotteries revenues and it is a concern to me but, short of adding some \$14 million to appropriation for Lotteries and that is something that certainly cannot be done overnight, I think the Member opposite realizes that and knows that all of a sudden we cannot make any major changes. We are going to have to look at what is going to happen over the long term.

I do not agree that ongoing programming for the department should be funded out of Lotteries because there is some insecurity and some instability and obviously it is disconcerting to those groups and organizations that depend on that funding for ongoing programming. I share that concern. We have to look at ways and means of addressing that.

Mr. Carr: In looking through the Supplementary Estimates, we can see that some staff positions in the department are funded by appropriation and some staff positions are funded through Lotteries. Some agencies are funded by Lotteries, some agencies are funded through appropriation, and some are funded by both. What criteria does the Minister, in her department, use to decide who is funded by Lotteries and who is funded by the taxpayers?

Mrs. Mitchelson: I think we addressed that as a new Government in our first Budget and the Auditor had in the past number of years raised several concerns that we are funding some salaries and that some are operating costs out of Lotteries, some out of appropriation, and we have taken steps to address that and to address the Auditor's concerns. As of this Budget year, and I think you will notice by the detailed Estimates that we have combined—all salaries are now coming out of appropriation. We have had to combine the salaries that were in Lotteries previously, and I think that next year you will find that every salary for the Department of Culture, Heritage and Recreation will be funded out of appropriation.

Mr. Carr: What direction has the Minister given to her Research and Planning Department to prepare the department in the long term for this relative imbalance between appropriations and Lottery funding? Are there assignments within the branch now to determine what direction the department is going to take in the long term, and is it the policy of the Government?

I take it from the Minister's remarks that it is to ensure that ongoing funding to these organizations is not dependent upon Lotteries revenues and that I congratulate the Minister. I think she has taken a giant step forward. If she is announcing tonight a policy of the Government of Manitoba to gradually remove dependency on Lotteries revenues for these organizations, then I commend the Minister. Now what set of plans are in place and what work assignments has she delegated to the Research and Planning Department to make sure that this very noble objective becomes a reality?

* (2110)

Mrs. Mitchelson: That would not normally be done in our department through the branch of Research and Planning. That is part of our ongoing budget strategy, financial strategy.

Ms. Hemphill: I was just going to suggest that perhaps since we have a very short amount of time for these Estimates, if we were going on for three weeks or two months, it would be another matter, but we have a certain number of questions to get in and a piece of them might fit in this appropriation and another piece of it might fit in that appropriation. I suggest that we try and be a bit flexible and accommodating so we can get the questions and the answers and then, when the time comes, we will just be ready to pass the appropriations and that is not as disjointed.

I just wanted to spend a bit of time on the affirmative action. One of the things that we found is that there seems to be some confusion about who is leading in that dance. When you talk to the Ministers of this particular department, they will say, well, it really is not my department, it is the department that is coordinating affirmative action, and when you talk to the departments, they say, well, the departments are responsible for affirmative action within their department. I am wondering how that—because I think that prevents activity when everybody is sitting waiting for somebody else to take the initiative. What steps is the Minister doing to remove that uncertainty about who is in charge and who should be giving direction? Is it shared where the overall body does some of it and the departments have other responsibilities? I guess we can start with that one.

Mrs. Mitchelson: I guess I have to apologize to the Member for Fort Rouge (Mr. Carr) that if he had asked again we would have discussed affirmative action. I think we can go ahead and discuss it here and maybe finish with it.

I think our department has made steady progress in its recruitment and development goals and is building a strong framework for affirmative action which will ensure long-term success with this program. I have to indicate to my friend opposite that I have met with the Civil Service Commission, myself, to have them explain to me “affirmative action,” what is the project and how it starts because I have a genuine concern and I want to ensure—I want to try my best to make it work better within my own department. So I have taken that initiative on my own and I found it a very beneficial meeting. It is my department’s philosophy that affirmative action cannot be separated from recruitment and normal employee-related activities. Affirmative action has been integrated to a significant extent into normal departmental processes.

Based on this approach, many of our initiatives address long-term objectives while at the same time not discounting the need for short-term successes. Our achievements from this program clearly indicate my and my departments commitment to the principles of affirmative action. Since April of this year, seven of 11 placements have involved affirmative action in the Department of Culture, Heritage and Recreation. Two Native Canadians were hired, one visible minority, two

redeployments of clerical staff, two clerical development acting status appointments, one clerical development reassignment.

This higher than average success is due in part to implementation of the department’s affirmative action recruitment policies. In the Department of Culture, Heritage and Recreation, we have nine women managers in 20 positions. The department has maintained a long-standing record of equal representation of women at the management level for some time now. We have 17 visible minorities on staff. That is 5.2 percent of the positions. This is one of the highest levels of visible minority representation in Government.

The department’s recruitment activity has kept visible minority representation at a high level for nearly two years now. We have 13 people on staff who are physically disabled and that is 4 percent of our positions. The number of physically disabled staff has more than doubled since the beginning of the program. We have five people on staff who are Native Canadians and that is 1.5 percent of the positions. That is a bit low but there has been steady progress and increases over a period of time, so we are working towards better numbers in that area.

Ms. Hemphill: Mr. Chairperson, I appreciate that information. Could the Minister not tonight but perhaps provide us with information about what hiring has taken place in all departments of Government under affirmative action? In other words, what hiring has the Department of Education done since they have been in office and other departments, so we could see which departments seem to have the implementation of affirmative action working well and which ones do not. Could she do that for us?

Mrs. Mitchelson: Mr. Chairman, I think that is the responsibility of the Civil Service Commission and that would probably more appropriately be asked of the Minister responsible. We are setting an example for ourselves right within our own department.

Ms. Hemphill: Mr. Chairperson, I guess I was looking at the information that says, “coordination of affirmative action and recruitment.” What does that mean then? It is in your Supplementary Supply.

Mrs. Mitchelson: Mr. Chairman, that is right within our department.

Ms. Hemphill: Mr. Chairperson, one of the recommendations in the multicultural policy was that all Civil Service positions be open to all Manitobans. I know that the Minister is probably going to say that this is under the Civil Service Department, but I think that her attitude and position on that as the Minister of Cultural Affairs and one responsible for the ethnocultural communities and the multiculturalism policy would be very important. Does she agree with that policy statement or that principle, that all Civil Service jobs should be open to all Manitobans?

Mrs. Mitchelson: Mr. Chairman, very definitely, and I think that in this department we have shown a real

desire to ensure that visible minorities are hired. By the statistics that I gave, I think we are attempting to work towards ensuring that all Manitobans have equal opportunity. It sure would be nice if some day we came to a point where we did not have to set targets or goals, but it was just an implementation policy that this was well accepted, and there was no question that everyone had equal opportunity to access any job.

Ms. Hemphill: I am wondering, since the Minister has indicated she met with the Civil Service to discuss the policy, did she have any discussions with them about the policy of hiring for entry-level positions, which precludes Manitobans having access to entry-level positions, since the requirement, I believe, is that only people already in the Civil Service can apply for those jobs? Has there been any discussion with the Civil Service or with her department? If she is not aware of that as a problem that impedes the hiring of affirmative action candidates? Will she please look into it?

* (2120)

Mrs. Mitchelson: When I met with the Civil Service Commission it was shortly after my appointment as the Minister responsible for Culture. I wanted a briefing and an understanding of what affirmative action was so that I knew as the Minister responsible. It was not something that came up specifically. I can certainly look into that.

Mr. Carr: I gather we are discussing affirmative action under 1.(c). That is fine. May I then ask the Minister for a personal statement of her own commitment and her objectives for affirmative action in her own department?

Mrs. Mitchelson: Mr. Chairman, I guess we started and I want to apologize to the Member. If we discussed or he would have given me the opportunity a little earlier, I would have stood up and said we could discuss affirmative action, quite willing to do so, and to try to speed up the process of Estimates and get the department passed.

I indicated in an earlier answer and I will repeat it. The department is making steady progress in its recruitment and development goals and is building a strong framework for affirmative action, which will ensure the long-term success of the program. It is my department's philosophy that affirmative action cannot be separated from recruitment and normal employee-related activities. Affirmative action has been integrated to a significant extent into the normal departmental process. Based on this approach, many of our initiatives address long-term objectives while at the same time not discounting the need for short-term successes.

Our achievements in this program clearly indicate my and my department's commitment to the principles of affirmative action. I want to indicate that since April of this year, seven out of 11 placements in the Department of Culture, Heritage and Recreation involved affirmative action. I have listed those just a little earlier. We have nine women managers in 20 positions. That is 45 percent. We have 17 visible

minorities on staff, that is 5.2 percent of the positions. This is one of the highest levels of visible minority representation in the Government. We have 13 physically disabled people, that is 4 percent of the positions. It has more than doubled since the beginning of the program. We have five Native Canadians on staff, that is 1.5 percent of the positions, and I indicated earlier that is a little on the low side but we are making steady progress. We have improved and we do have more and we are still working towards that.

Mr. Carr: What system of evaluation to determine the success or failure in the Affirmative Action Program is in place in your department?

Mrs. Mitchelson: We have an implementation plan that is in place. As we go along and we change job descriptions, we are right into the job description. We have regular assessments and updates of affirmative action, what is happening and where it is going.

Mr. Carr: How does the Minister or her staff familiarize managers about the goals and objectives? Are there seminars? Are there memoranda? How is the Minister able to communicate her own objectives and goals set by her department to managers?

Mrs. Mitchelson: There are staff seminars on affirmative action throughout the department. There are regular bulletins that are sent out through the department with minutes of the Affirmative Action Committee meetings. We are the department that brought cross-cultural awareness into Government.

Mr. Carr: While we are on item 1.(c), Research and Planning, I notice that the appropriation for 1.(c) is \$240,700 for this year compared to \$120,000 which was the Adjusted Vote for last year. That is a doubling. I am sure there is a good reason. I just wonder what it is.

Mrs. Mitchelson: I think, and this is the first time we have come across this but, if the Member opposite looks at what was last year in Lotteries and what was in appropriation, that is the first two lines, so that is \$120,000 and \$108,000.00. If you total them, the total expenditures last year were \$228,000 for '87-88. In the year ending March '89, there is an increase from \$228,000 to \$240,700.00.

Mr. Carr: I see the \$120,000; I do not see the \$108,000.00.

Mrs. Mitchelson: Is it not right beside it in your book? The Adjusted Vote shows appropriation and Lotteries and the total on page 20 in the Estimates Supplement.

Mr. Carr: Just so I get this straight, there are staff salaries then which are paid out of the Lotteries funds in Research and Planning?

Mrs. Mitchelson: Last year, in '87-88, there were staff who were paid out of Lotteries under Research and Planning. For the year ending March 31, '89, we have moved all of the staff years from Lotteries into

appropriation. Therefore, we have shown what we have combined for '87-88 and what the total expenditure would have been out of appropriation and Lotteries. Next year, you will not see that difference because all of the salaries will be out of appropriation, none out of Lotteries. But we just had to show what was there before we made the commitment and the decision to ensure that all salaries were being paid out of the appropriation.

Mr. Carr: Thank you, I appreciate the explanation. I wonder if the Minister could give us an idea of the total dollars that were transferred from Lotteries to appropriation to pay for salaries which were otherwise funded through Lotteries monies.

Mrs. Mitchelson: It was approximately \$1.3 million for salaries and operating expenditures transferred out of Lotteries into appropriation.

Mr. Carr: So who then will not be the beneficiaries of that \$1.3 million? There was a transfer of some \$1.3 million from Lotteries into the funding of staff but what comes up must come down, so I am looking for the 1.3 million on the other side of the ledger.

Mrs. Mitchelson: I think that was what we tried to explain to the Member opposite in Question Period quite a while ago, just after the Budget, and that was the City of Winnipeg Library Grant, approximately—\$1.3, \$1.4? It was 1.2 million. So, to satisfy the Auditor that salaries and operating costs are coming out of appropriation, we tried to find the simplest way to do that and the one lump sum was the City of Winnipeg Libraries Branch. It was transferred into Lotteries at that time.

Ms. Hemphill: Mr. Chairperson, I have a few questions on Lotteries. I do not know whether you want to take them now?

An Honourable Member: In the Department of Lotteries?

Ms. Hemphill: I am not sure. Does it make a difference? I have about four questions.—(Interjection)—

An Honourable Member: Well, I am not finished with Lotteries . . .

Ms. Hemphill: Where do you want to handle them? I would just as soon handle them when staff is here and not under Ministerial Salary.

Mr. Chairman: If I could just be of some assistance, I believe that the Minister had indicated that perhaps if they were Lotteries questions directed to lotteries money in the use of the Culture, Heritage and Recreation Department, that she would address them now. If there were more general questions dealing with Lotteries, then that would be under item 1.(a) when she would have other staff here. That was how we initially began the discussion in this area.

Ms. Hemphill: Are you going to have different staff here?

* (2130)

Mrs. Mitchelson: Staff of the Lotteries Foundation will be here to discuss Lotteries as such. If it is something to do with programming for the Department of Culture, Heritage and Recreation, that would certainly be appropriate under the department.

Mr. Chairman: Item 1.(c)(1)—the Member for Fort Rouge.

Mr. Carr: I would like to get some idea of the process through which Lotteries monies are given to the department, how appropriations are put up against those monies and how they are spent? I am also interested to know if large sums of money are put into bank accounts, earning interest, for long periods of time? I wonder if the Minister could just walk us through the process of how the department receives its Lotteries funds? How much time elapses before they are spent? What is the banking practice and procedure, because I understand large sums are involved? If the Minister could just shed some light on that process.

Mrs. Mitchelson: I just want to ensure that I have got the process in place.

We at the Department of Culture, Heritage and Recreation receive about 33 percent of the Gaming Fund from Lotteries to the Department of Culture, Heritage and Recreation. That is invested with the Department of Finance. We receive that money just as any other appropriation of money would come to the department. Cabinet approves our expenditures the same way they would approve any appropriation expenditures. There is a surplus at the end of this year that will be about \$14 million. There has been an ongoing understanding that there should be a surplus fund set up that will allow for one year of programming, should there not be any Lotteries revenue.

Mr. Carr: I want to get this very straight. It has been an issue that has swirled around the cultural community for a long time. The Minister is telling us that there is a bank account on trust with the Minister of Finance (Mr. Manness) of some \$14 million which is against appropriations which are to be spent by the Department of Culture, Heritage and Recreation, and does that money earn interest? Who keeps the interest?

Mrs. Mitchelson: That is projected to be \$14 million by the end of the year, and that interest stays with the department in the fund but it cannot be spent unless it is approved by Cabinet the same way appropriation of money is approved.

Mr. Carr: Just a quick calculation would show us that would earn over a million dollars a year in interest. What happens to that million dollars a year?

Mrs. Mitchelson: I am informed that interest stays in the fund. It has been accumulated over a period of time and the fund usually grows by a million and a half or so a year.

Mr. Carr: How does the department budget from one year to the next for expenditures of Lotteries funds?

Does the department project from one year to the next what it supposes Lotteries revenues might be? Does it budget on the basis of what was actually accumulated in the department the previous year or just how does the department plan and budget?

Mrs. Mitchelson: We go for expenditure authority the same as we would as if all of our money was coming out of appropriation and then we are able to - (Interjection)- yes, it is dealt with in the same way as appropriation monies. Just because there is that money there, it does not allow the department to spend money in any different way than any department that is getting all of its money from appropriation. So that reserve builds up there, but we are not allowed to take that money and use it because there is a shortfall in the department.

Mr. Carr: The Minister says that we are not allowed. It is Government policy and Government policy can be changed. What is the rationale for the Department of Culture to sit on \$14 million a year of Lotteries funds earning interest while there are needs not being met in the cultural community?

Mrs. Mitchelson: I suppose that fund that is sitting there provides some insurance that we will be able to fund Culture, Heritage and Recreation on an ongoing basis. So it is an insurance, an emergency fund if we should happen to need it. It would be a sad day for Culture, Heritage and Recreation, arts in our province if there was no money there in a time of need.

Mr. Carr: My colleague friend, the Honourable Minister of Health (Mr. Orchard) and the Minister of Finance (Mr. Manness), often accuse Members in Opposition Parties of always criticizing, negative, negative, trying—the Minister of Finance says I am different and I take that as a compliment.

I would like to proffer a positive suggestion to the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson). Why does the Minister not establish a foundation, an endowment with this \$14 million and allow the interest to build up over a number of years and perhaps offer some incentive to the private sector to match those grants so that, if there is someday a shortage of Lotteries funds because of the whims of the gambling public, something will be left for that valued cultural community that the Minister speaks of.

Now I ask her, as a positive suggestion, will she consider establishing an endowment fund with Lotteries monies to be used for not the ongoing provisions of operating grants for the Symphony, the Ballet, the Sports Federation and others, but for capital expenditures, one-time expenditures, non-recurring costs so that, if someday this pool of funds does dry up, we will have a legacy to show for it.

* (2140)

Mrs. Mitchelson: Mr. Chairman, I think we have had this conversation, maybe on a not quite as extensive a basis—I think it was during Interim Supply. I do not think we are opposed at all to endowment funds. As

a matter of fact, it is probably a conservative philosophy that you set a little money aside for a rainy day. I can remember when I was growing up as a child that my father did not buy anything unless he had the cash to buy it, so you saved your money and, when you had enough money to purchase something, you purchased it. If you did not have the money, you did not buy it. You waited.

I tend to believe in that philosophy and the days, I think, are gone when that kind of—we seem to be more of a credit card society and it is buy now and pay later. People do not seem to save and I guess they do not have the ability to with the costs and the taxes that they have to pay these days. I want to say that I believe in that philosophy, and I think we have indicated before that we on this side of the House would like to set money aside and it should not only be for arts.

I can remember last year asking questions in Health of the Health Minister of whether there was a capital sinking fund for cancer treatment equipment. I never did get an answer and I believe there probably was not, but that is the kind of thing that should be there. When you build a new building, you should always prepare and have money set aside in some form or start saving toward the time when you are going to have to upgrade or change or renovate that building to meet current-day standards.

I want to say to you that right within our department right now we have a staffperson committed to looking at what the capital needs of all our majors are. There has been some extensive work that has gone into it and we have asked them to come forward with a plan, a long-range plan on what they feel the priorities are today, what needs to be done today and what can be done over the next five years so that we can ensure that our facilities are upgraded on a regular basis and we do not leave them to the point where they are falling apart at the seams before we are able to do anything, and then we cannot find the capital money for it when the time comes to do something. There has been a staff member committed to looking at the needs.

I agree with endowment funds wholeheartedly but that does not necessarily guarantee that because we as a Government set up an endowment fund that a new Government in a new day is going to ensure that those funds are going to be used in the manner that we set the endowment fund up for and were planning on using.

Mr. Chairman: Item 1.(c)(1)—pass; item 1.(c)(2)—pass.

Item 1.(d) Communications and Information Services: (1) Salaries.

Mr. Carr: I would like to ask the Minister if there has been any substantial change in staffing or functions of the Communications and Information Services Branch of the department?

Mrs. Mitchelson: No, Mr. Chairman.

Mr. Carr: I wonder if the Minister could just take a moment or two informing Members of the role and mandate of that branch.

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Mrs. Mitchelson: The role is to enhance public understanding of the department's policies and programs. It is on page 21 in the Supplementary Estimates. Would the Member like me to read it?

Mr. Carr: No, in your own words.

Mrs. Mitchelson: This department provides for preparation of speeches for the Minister, and you know that the Minister of Culture, Heritage and Recreation attends many, many functions out in the community and there is a lot of work and a lot of research that has to go into preparing speeches and getting accurate information. I see Mr. Chairman shaking his head "yes." I know I was in Opposition at one point in time too, and there is a lot of time and effort that goes in on behalf of an Opposition Member to get the background, the data and the information.

This is also looking at educational material that is prepared, say, by Historic Resources. They have a reviewing and editing mechanism for material that is provided, "how to" material, through the Department of Historic Resources. That is an example of what they might do, coordination of the awards programs throughout the department, protocol for visits and that kind of thing.

Mr. Chairman: 1.(d)(1)—pass; 1.(d)(2)—pass; 1.(e) Finance and Management Services: (1) Salaries—pass; 1.(e)(2) Other Expenditures—pass.

1.(f) Personnel Services: (1) Salaries.

Mr. Carr: Mr. Chairperson, I would like to ask the Minister some general questions of accountability in the department and the system of evaluation. How does the department evaluate personnel and the performance of individuals in the department? Is she satisfied with whatever processes are now in place?

Mrs. Mitchelson: According to the Civil Service guidelines, the department has developed its own performance management system that applies to the whole department.

Mr. Carr: I am wondering how many of the programs of the department were evaluated. The Minister is responsible for a department that spends many millions of dollars a year on cultural programs. It is very important to ensure the accountability of the expenditure of public funds that there be a system set in place to continually monitor and evaluate the success of the program to determine whether or not it ought to be continued. I wonder if the Minister could give us some idea of the process in the department used to evaluate programs and what criteria are used.

Mrs. Mitchelson: The annual budget process allows for staff to look at and evaluate programs on an ongoing basis.

Mr. Carr: I wonder if the Minister would just give us a little more detail on what systems are used to evaluate programs within the department. Is there one staffperson, for example, or under which branch of the

administration is given the responsibility of evaluating the success of programs?

Mrs. Mitchelson: I guess, through Finance and Management, that would be 1.(e). There are procedures in place to leave the ongoing evaluation of programming but, if we really want a program evaluated, we use outside people to come in and evaluate those programs. Research and Planning, through the Recreation Policy Statement and the recreation policy that will be developed, the University of Manitoba is going to be doing some research on evaluation of funding to recreation throughout the province.

Mr. Carr: I wonder if the Minister could tell us on how many occasions the department used outside assessors to evaluate the success or failure of a cultural program.

* (2150)

Mrs. Mitchelson: We have two outside consultants reviewing and evaluating the ERDA agreement. We have a consultant looking at Heritage Grants right now. As I indicated, through Recreation, the University of Manitoba has just been hired on a consultative basis to assess what is happening in recreation. We will be hiring an outside consultant when it comes to arts policy.

Mr. Carr: In particular, reference to the evaluation of the ERDA agreement, I understand that a consultant from Toronto has been hired to look into the ERDA agreement. Can the Minister let us know if Paul Audley has been hired to look after an examination of the ERDA agreement?

Mrs. Mitchelson: Yes, he has been, and he is apparently the foremost expert in the country on this type of agreement.

Mr. Carr: There are experts all over the place. Is the Minister saying that there were no qualified Manitobans available to do this kind of evaluation of a federal-provincial cultural industries agreement?

Mrs. Mitchelson: It was opened up to everyone and he was the best applicant who applied, so he received the contract.

Mr. Carr: The Minister says he was the best applicant. Was there a competition for that consulting contract?

Mrs. Mitchelson: Yes, there was a call for proposals.

Mr. Carr: In the Minister's judgment, there was not a Manitoba application that was good enough to make the grade, as it were?

Mrs. Mitchelson: That commitment to hire him was made before the last provincial election. Why, I cannot comment on that.

Mr. Carr: The Minister agrees with the evaluation made by the former Minister that this was the foremost expert in the field, and we will leave that because there is not much we can do about it except take the former

Government at its word. How much is the consulting contract worth with the Toronto consultant?

Mrs. Mitchelson: Could I take that under advisement? I will get that information.

Mr. Carr: Okay, Mr. Chairperson. It is an important piece of information that we would like to know on this side of the House, particularly considering that we were not able to keep those dollars in the province.

Would this be an appropriate time to ask a question or two about that earlier agreement? Is the Minister prepared to entertain a question on the agreement since we are talking about an evaluation of it?

Mrs. Mitchelson: It might be the will of the Opposition if we could pass Personnel Services and go on into Culture, Heritage and Recreation Programming which is right next. It would fall in under that.

Mr. Carr: It is not a bad suggestion.

Mr. Chairman: 1.(f)(1)—pass; 1.(f)(2)—pass.

2.(a) Culture, Heritage and Recreation Programs (a) Executive Administration: (1) Salaries.

Mr. Carr: How many executive positions are in this category?

Mrs. Mitchelson: Mr. Chairman, may I ask where we are?

Mr. Chairman: 2.(a)

Mrs. Mitchelson: 2.(a) Executive Administration? The answer is one, Mr. Chairman.

Mr. Chairman: Item 2.(a)(1)—pass; 2.(a)(2)—pass.

2.(b) Grants Administration: (1) Salaries.

Mr. Carr: In the Grants Administration, we are looking here at a total of \$5,104,700 which represents an increase of over \$200,000 from the previous year. Could the Minister tell us what accounts for the increase?

Mrs. Mitchelson: Yes, Mr. Chairman, grants to the Manitoba Arts Council and the Museum of Man and Nature.

Mr. Carr: Under Salaries, professional/technical, if you look at the line \$27,400 and then move ahead to the current year, you see \$79,300.00. Could the Minister explain that rather large increase?

Mrs. Mitchelson: The person I was talking about before who has been made responsible for looking at the needs of our majors and capital needs, we talked about it a little bit earlier on tonight. We are doing an assessment or an evaluation of what the capital needs of our major cultural institutions are. There has been one person added to the number of staff years so that would be his salary.

Mr. Carr: So the total salaries of that branch have gone up from \$85,300 to \$138,300.00? Is that right?

Could the Minister explain the increase of some \$9,000 in Supply and Services over the previous year?

Mrs. Mitchelson: That is Systems Consulting.

Mr. Carr: No, this is Supplies and Services.

Mrs. Mitchelson: Yes.

Mr. Carr: I gather then that the grant to the Manitoba Arts Council is contained within this appropriation? Right.

Then I would like to ask the Minister a different kind of question. As she knows, the Manitoba Arts Council has been appointed by Order-in-Council for a number of years, dating back to the establishment of the council in 1972 or '73, I think, or even before that. Other models have been used where members of the cultural community themselves elect representatives to arts councils. We have seen that model work effectively in the City of Winnipeg, where the Arts Advisory Council derives its membership not only from appointees from City Council but also from elections within the cultural community, not unlike the way members of the board of the Manitoba Intercultural Council are elected by their own communities.

Has the Minister given any thought to establishing a program whereby a proportion, a number of members in the Manitoba Arts Council are not appointed by the Government but are elected by the cultural community?

* (2200)

Mrs. Mitchelson: That is something that certainly should be looked at and we will take that all into context and along with the Arts Policy Review. Hopefully, recommendations will come forward on some of those questions, some of the concerns that have been raised.

Mr. Carr: The issue of who is responsible for cultural funding—is it the Manitoba Arts Council or is it the Department of Culture, Heritage and Recreation?—has been brewing for many years in this province. Reports were written in previous years that established the distinction that the Arts Council should fund professional programming and the department should fund amateur programming.

Can the Minister tell us if there has been any refinement of that definition over the last several months or so and whether or not she believes that the current definitions and the current distinctions between those programs that should fall under the Arts Council and those that should fall under the department, is she satisfied with the current definitions and does she intend to change things?

Mrs. Mitchelson: Yes, Mr. Chairman, just let me go back here to my notes. I think the Member opposite can realize that the days back in 1979 where from the last Arts Policy Review was done, the Arts community has become much more complex and much more diversified and there have been many different changes and it is well overdue for another Arts Policy Review.

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There certainly are some problems within the system. I think that is what an Arts Policy is going to look at. It is going to look at the complexity of the granting system and come forward with some recommendations to make things a little simpler, make the system a little simpler.

Mr. Chairman: Is it the will of the committee to rise?
Committee rise.

IN SESSION

Mr. Deputy Speaker, Mark Minenko: This House is now adjourned and stands adjourned until 1:30 tomorrow afternoon (Wednesday).